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Third additional session
Vienna, 6 May 1996
Item 6 of the provisional agenda

CEILING OF ASSESSMENTS

Background information on the ceiling of assessments

Prepared by the Secretariat

Summary

Provides background information on the relevance of the 25 per cent ceiling of assessments as contained in Article 15.2 of the UNIDO Constitution and presents optional arrangements for consideration.

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Introduction

1. In its decision GC.6/Dec.11, paragraph (h), the General Conference requested the Board at its fifteenth session to review the relevance of the 25 per cent ceiling of assessments as contained in Article 15.2 of the UNIDO Constitution in the light of the discussion which had taken place at the General Conference. The present document is submitted in compliance with that request.

2. It may be recalled that during that discussion, the issue arose as to whether it was sound policy for the implementation of the UNIDO programme of work to rely so heavily on one or a few Member States with respect to the scale of assessments. It was suggested that it might be prudent to reconsider the present ceiling of the scale of assessments to secure the healthy operation of the Organization in the future.

I. LEGAL STATUS

3. Article 15.1 of the Constitution of UNIDO provides the legal framework for the apportionment of regular budget expenditures in accordance with a scale of assessment established by the Conference. Article 15.2 provides the legal framework for the basis of preparation of the UNIDO scale and states:

> "The scale of assessments shall be based to the extent possible on the scale most recently employed by the United Nations. No Member shall be assessed more than twenty-five per cent of the regular budget of the Organization."

4. Therefore, the 25 per cent ceiling represents the maximum possible contribution of any one Member State of UNIDO. There is, however, no requirement in Article 15.2 of the Constitution that a Member State is to be assessed at that level; i.e., that another Member State would necessarily have to take the place of the United States of America in being assessed at 25 per cent, with the rest of the regular budget being apportioned accordingly among the other Member States.

5. The contribution of a Member State is determined on the basis of the scale of assessments established by the Conference in accordance with Article 15 of the Constitution, and is not in any way affected by the existence of the 25 per cent ceiling except in so far as it functions as an upper limit beyond which a Member State may not be required to contribute, even if the application of the scale of assessments indicates otherwise. Therefore, it is useful to note that while changes to the scale of assessments may be made by the Conference, any change of the 25 per cent ceiling would require an amendment to the Constitution. The procedures to amend the provisions of Article 15 of the Constitution are described in chapter V of the present document.

II. PRACTICE AT UNIDO

6. With respect to the preparation of the UNIDO scale of assessments, the variables affecting the technical adjustments of the scale have been consistently applied since the inception of UNIDO until the 1994-1995 fiscal period. Those variables included:

(a) Basing the UNIDO scale on the scale most recently employed by the United Nations and adjusting the scale to account for differences between the memberships of the United Nations and UNIDO;

(b) Setting the rate of assessment of any Member State whose ceiling would otherwise be higher than 25 per cent;

(c) Ensuring that the scale of assessments added to 100 per cent;

(d) Fixing the rates of assessments of certain Member States at the floor rate of 0.01 per cent.

The variables described above have been consistently applied at UNIDO as well as at the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO).

7. Following the announcement of the withdrawal of the United States of America from UNIDO, the 1996-1997 scale of assessments was prepared on the basis of the above variables with the exception of (b) above, which did not apply. In addition, and consistent with past practice, the budget level for the 1996-1997 biennium had been reduced to offset the reduction of assessed contributions income resulting from the withdrawal of that Member State. The required revisions of the scale rates resulted in increases in the rates, but not in the financial contribution, of most of the Member States. The rate of the new major contributor was calculated at 21.4528 per cent for 1996. The 10 major contributors are assessed as follows:

Member State	Rate in 1996
Japan	21.4528
Germany	12.5680
France	8.9056
United Kingdom	7.3872
Italy	7.2239
Russian Federation	6.1850
Spain	3.2836
Brazil	2.2516
Netherlands	2.2064
Australia	2.0570
Total	73.5211

Ten Member States, therefore, are assessed 73.5211 per cent of the net regular budget expenses of the Organization in 1996. Therefore, the 25 per cent ceiling has limited relevance to the 1996-1997 scale of assessments of UNIDO.

III. PRACTICES IN OTHER ORGANIZATIONS

8. In order to provide background information with respect to the relevance of the 25 per cent ceiling at UNIDO, practices in respect of the preparation of the scales of assessments of the following Organizations are summarized in the present chapter: United Nations, FAO, International Civil Aviation Organization (ICAO), ILO, International Maritime Organization (IMO), United Nations Educational, Scientific and Cultural Organization (UNESCO), WHO, World Meteorological Organization (WMO) and the International Atomic Energy Agency (IAEA). The information has been extracted either from the update of the Joint Inspection Unit (JIU) study on budgeting methods (ACC/1995/FB/CM/13, 5 October 1995) or from the most recent official documents of the respective organizations.

A. United Nations

9. The General Assembly determines the scale of assessments for the financial year on the advice of the Committee on Contributions. In its resolution 48/223, section B, paragraph 1 (e) of 23 December 1993, the General Assembly requested the Committee on Contributions to recommend to the General Assembly at its forty-ninth session a scale of assessments for the period 1995-1997 on the basis of certain elements and criteria including, *inter alia*, a floor rate of 0.01 per cent and a ceiling rate of 25 per cent. In the current scale methodology and its application, the capacity to pay is the fundamental criterion for determining the scale of assessments. The methodology and criteria currently used to approximate the capacity to pay is comprised of seven components, one of which states the following:

> "The rates of assessment of Member States may not be lower than 0.01 per cent (floor rate) or exceed 25.00 per cent (ceiling rate)".

10. There exists some general dissatisfaction with the existing methodology and criteria for determining the scale of assessments; the Assembly therefore requested the Committee on Contributions to undertake a comprehensive review of all aspects of the existing methodology (General Assembly resolution 48/223, sections A, B, C, of 23 December 1993). General Assembly resolution 48/223, section C, agreed on the establishment of an ad hoc body to study the implementation of the principle of capacity to pay in determining the scale of assessments. In response to that resolution, the Ad Hoc Intergovernmental Working Group on the Implementation of the Principle of Capacity to Pay was established and its report, as contained in General Assembly document A/49/897, dated 8 May 1995, was submitted to the General Assembly at its forty-ninth session. The Working Group concentrated on clarifying, from a technical viewpoint, what constituted capacity to pay and on providing practical advice on how that principle could best be implemented in practice. The Group noted that decisions to establish a ceiling and a floor as an element of the methodology for the determination of the scale had been taken by the General Assembly on non-technical grounds. The Group, therefore, did not express its views on these decisions.

11. The General Assembly established, in compliance with General Assembly resolution 49/143, a High-level Open-ended Working Group on the Financial Situation of the United Nations. At present, the Group is discussing all aspects of issues bearing on the financial situation including, *inter alia*, payment of contributions in full and on time; the problem of arrears in the payment of contributions; the cash flow situation and the methods of calculating the scale of assessments. The question of lowering the 25 per cent ceiling on assessments to 15 or 20 per cent is expected to be examined within this context. In this regard, the Secretary-General has called for a special session of the General Assembly to meet during 1996 to review the financial situation. Assuming that the recommendations of the Working Group are taken into account by the Committee on Contributions in its work, the UNIDO methodology for preparing its scale would embody the changes.

B. Food and Agriculture Organization (FAO)

12. The practice of FAO to derive its scale of contributions directly from the United Nations scale of

assessments has been followed since 1955 (cf. document FC 81/7 and FAO Conference resolution 42/55). The United Nations scale of assessments is adjusted to take into account differences in membership, with the exception of contributions from Associate Members, for which calculations are made on the same basis as contributions for Member Nations, but reduced by four-tenths. The Conference adopts the scale of assessments to be apportioned to Member Nations. In this respect, the rate of assessment for the United States of America is set at 25 per cent.

13. At the twenty-second session of the FAO Conference (November 1983), several members expressed reservations regarding the criteria on which the current United Nations scale had been based. However, the Conference agreed that departure from the practice of deriving the FAO scale directly from the United Nations scale would lead to duplication of the work of the United Nations Committee on Contributions, would have undesirable repercussions throughout the United Nations system and would lead to governing bodies of FAO dedicating an inordinate amount of time on this administrative matter in efforts to develop a viable alternative.

C. International Civil Aviation Organization (ICAO)

14. The principles that govern the calculation of scales of assessments at ICAO are contained in ICAO Assembly document A31-DP/1 AD, dated 15 September 1995, on information regarding calculation of scales of assessments. The principles that govern the calculation include: United Nations scale weighted 75 per cent; aviation importance (25 per cent), which is measured by international air service (75 per cent) and domestic (25 per cent) based on the tonnage kilometres. The rate of the United States of America is set at the maximum rate of 25 per cent.

D. International Labour Office (ILO)

15. The governing body of ILO, at its 262nd session in March-April 1995 had before it document GB.262/PFA/GMA/1 on the scale of assessment of contributions to the budget for the 1996-1997 financial period, that contains the following information. The scales of assessment used for determining the contributions of the Member States of ILO have since 1977 been based on the United Nations scale of assessment of its Member States. The ILO scale of assessments is adjusted arithmetically for differences in membership between the two organizations, and the maximum and minimum rates of assessment are set at 25 per cent and 0.01 per cent respectively, as in the United Nations scale. The rate of the United States of America is set at the maximum rate of 25 per cent.

16. The Committee on Allocation Matters examines and recommends the scale to the governing body for adoption by the Conference.

E. International Maritime Organization (IMO)

17. Resolution A.726 (17), of 7 November 1991, of the IMO Assembly explains the methodology used by IMO in the apportionment of regular budget expenditure between the Member States. Three principles govern the calculation of the total contribution per cent. These include a minimum assessment calculated as 2.94 per cent of the total budget assessment divided equally among the Members (50 per cent for Associate Members). The balance is divided by 12.5 per cent on the United Nations scale and 87.5 per cent on the gross registered [merchant shipping] tonnage of the country. Total assessment is the sum of minimum, basic and tonnage assessments. Panama, the major contributor in 1995, was assessed 11.55 per cent.

F. United Nations Educational, Scientific and Cultural Organization (UNESCO)

18. In accordance with Article IX of the UNESCO Constitution and Article 5.1 of the financial regulations, its General Conference determines the scale of assessments for the contribution by Member States for each financial period. The scale is based on that of the United Nations, suitably adjusted to take into account the difference in membership between the two organizations.

19. At its fourth special session, the UNESCO Executive Board recommended that any shortfall arising from withdrawals should not result in any increase in the assessed contributions of any of the Member States (4X/EX/Decision 2, II.6). Consequently, the approved budget for 1986-1987 included for purposes of transparency the programme, activities and services corresponding to the contributions of the three States that had withdrawn. In the appropriation resolution, the theoretical total of contributions payable for 1986-1987 included, for accounting reasons, the sum equivalent to the contributions that the States who had withdrawn from the Organization would have been required to pay had they remained Members. The scale of assessments for 1986-1987 thus attributed to the Member States of the Organization 70.1 per cent of the theoretical amount to be paid, and under a separate entry, attributed 29.9 per cent to the three States that had ceased to be Members of the Organization. The 1996 rate of assessment for Japan, the major contributor, is 15.1889 per cent; however, as this rate is 15.1889 per cent of

69.6322 per cent, the effective rate of assessment is 21.8130 per cent of the total assessed contributions. The disadvantage of such a procedure is that, while the rates of assessment for Members may be more closely in line with those of the United Nations, the methodology is not fully transparent.

G. World Health Organization (WHO)

20. The scale of assessments is fixed on the basis of the United Nations scale of contributions adopted by the General Assembly, and adjusted for the difference in membership.

21. The principles and criteria currently applied in calculating the WHO scale of assessments were summarized in World Health Assembly document A/48/28 of 14 March 1995, on scale of assessments for the financial period 1996-1997. The document states the following:

> "The latest available United Nations scale of assessments shall be used as a basis for determining the WHO scale of assessments, taking account of:
>
> (a) the difference in membership; and
>
> (b) the establishment of minima and maxima.
>
> The scale of assessments in WHO should follow as closely as possible that of the United Nations, and:
>
> (1) as a matter of principle, the maximum contribution of any one Member State in the WHO scale of assessments shall not exceed 25 per cent of the total;
>
> (2) the minimum assessment in the WHO scale shall conform to that established in future scales of assessments of the United Nations."

22. The 1996 rate of assessment for the United States of America, the major contributor, is set at 25 per cent.

H. World Meteorological Organization (WMO)

23. As noted in document Cg.XII/PINK 59 of the twelfth Congress of WMO, 20 June 1995, on proportional contributions of members, the establishment of the WMO scale of assessments was examined at that Congress. It adopted a scheme that would move progressively towards a scale that would come closer to that of the United Nations by the year 1999. At that time, the scale—which is currently weighted by 75 per cent of the WMO scale for 1994-1995 and 25 per cent of the United Nations scale for 1996—will be based on the United Nations scale for 1997 adjusted for differences in membership. For each year the minimum rate of assessment of 0.02 per cent is retained. The major contributor, the United States of America, is assessed 24.55 per cent in 1996 and will be assessed 24.71 per cent in 1999.

I. International Atomic Energy Agency (IAEA)

24. The base rate of the IAEA scale of assessments is based on the United Nations scale adjusted for differences in membership (used for the Working Capital Fund and technical cooperation). For the regular budget, the final scale takes into account the safeguards financing formula that shields developing countries in respect of safeguards costs.

25. The major contributor, the United States of America, is assessed 26.091 per cent in 1996.

IV. SUMMARY OF PRACTICES IN OTHER ORGANIZATIONS

26. Until the present, the relevance of the 25 per ceiling of assessments as applied at UNIDO in the preparation of its scales of assessments has been comparable to the practices undertaken at ILO, FAO and WHO. It should be noted that the United States of America continues to be the major contributor in those three Organizations.

27. While the United States of America is a member of ICAO, IMO, WMO and IAEA, the preparation of the scales of assessments for these Organizations takes into account not only the United Nations scale as a basis but also another element associated with the mandate of each Organization.

28. The United States of America is not a member of UNESCO. However, the scale of assessments of that Organization includes theoretical rates of assessments and amounts for its non-members. The exclusion of these non-members from the assessed contribution calculations effectively results in percentage shares of assessed contribution calculations on a similar basis to that applied by UNIDO.

29. The question of the relevance of the 25 per cent ceiling of assessments, as contained in Article 15.2 of the UNIDO Constitution, should be considered within the context of the interpretations, procedures and applications of the ceiling in other organizations in the United Nations system, bearing in mind the relevant studies being undertaken at the United Nations, the need to avoid duplication of work and the need to secure a stable

financial environment for the operation of UNIDO programmes in future.

V. OPTIONS AND IMPLICATIONS

30. The present document provides background information on the relevance of the 25 per cent ceiling of assessment in support of the question of whether it is sound policy for UNIDO to rely so heavily on one or only a few Member States with respect to the scale of assessments. The Organization may need to focus its attention on some realistic options with a view to arriving at a practical and cost-effective solution that may, over time, shift the burden of assessments from one or only a few Member States to a few more.

31. On the basis of the information elaborated in the present document, Member States may wish to consider the following options as summarized below:

(a) Option 1: Continue to follow the United Nations system-wide approach

32. This option would enable the Organization to remain consistent with past practice, i.e., the UNIDO scale of assessment would, to the extent possible, be based on the United Nations scale. In the event that the General Assembly sets the ceiling of assessments at a lower level, for instance, 15 or 20 per cent, the UNIDO scale of assessment would, to some extent, take into account the change in the ceiling at the United Nations since the rates of assessment of Member States not affected by the ceiling would be adjusted to offset the change in ceiling. This option is acceptable system-wide and would avoid duplication of the work of the United Nations Committee on Contributions and the High-level Open-ended Working Group on the Financial Situation of the United Nations.

(b) Option 2: Amend the provisions of Article 15.2 of the Constitution

33. To change the provisions on the 25 per cent ceiling contained in Article 15 of the Constitution would require an amendment of the Constitution of UNIDO. In accordance with Article 23.2 of the Constitution, an amendment to Article 15 would require the following steps:

> "Except as specified in paragraph 3, an amendment shall come into force and be binding on all Members when:
>
> "(a) It is recommended by the Board to the Conference;
>
> "(b) It is approved by the Conference by a two-thirds majority of all Members; and
>
> "(c) Two-thirds of the Members have deposited instruments of ratification, acceptance or approval of the amendment with the Depositary."

The implication associated with this option is that the Organization would need to invest considerable time and resources if the establishment of appropriate criteria for establishing a new ceiling of assessments is desired.

VI. ACTION REQUIRED OF THE COMMITTEE

34. The Committee may wish to take note of the information contained in the present report and recommend appropriate action to the General Conference, through the Industrial Development Board.

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Third additional session
Vienna, 6 May 1996
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UPDATE OF THE FINANCIAL SITUATION OF UNIDO

Report by the Director-General

Summary

Provides information on the financial situation of UNIDO, including a status report of assessed contributions paid by Member States and advances to the Working Capital Fund as of 31 March 1996. Presents information on the operational budget, accountability and transparency on financial matters, the separation indemnity reserve and on promissory notes.

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* * * * *

Introduction

1. As a consequence of the factors influencing estimated income under the regular and operational budgets, expenditures have been held to contingency plan levels in the regular budget and within income levels in the operational budget thus far in 1996.

2. The cash situation of the regular budget during the first quarter of 1996 showed initial signs of stabilizing as several reliable contributors made timely payments of assessed contributions. Nevertheless, the late or non-payment of arrears of assessed contributions is expected to continue to be a major problem during the year since most of the reserves of the Organization were depleted at the end of 1995.

3. Other issues, including accountability and transparency in financial matters, the financial status of the separation indemnity reserve and the initial consideration of accepting promissory notes as committable resources for projects funded exclusively by Montreal Protocol funds are also covered in the present document.

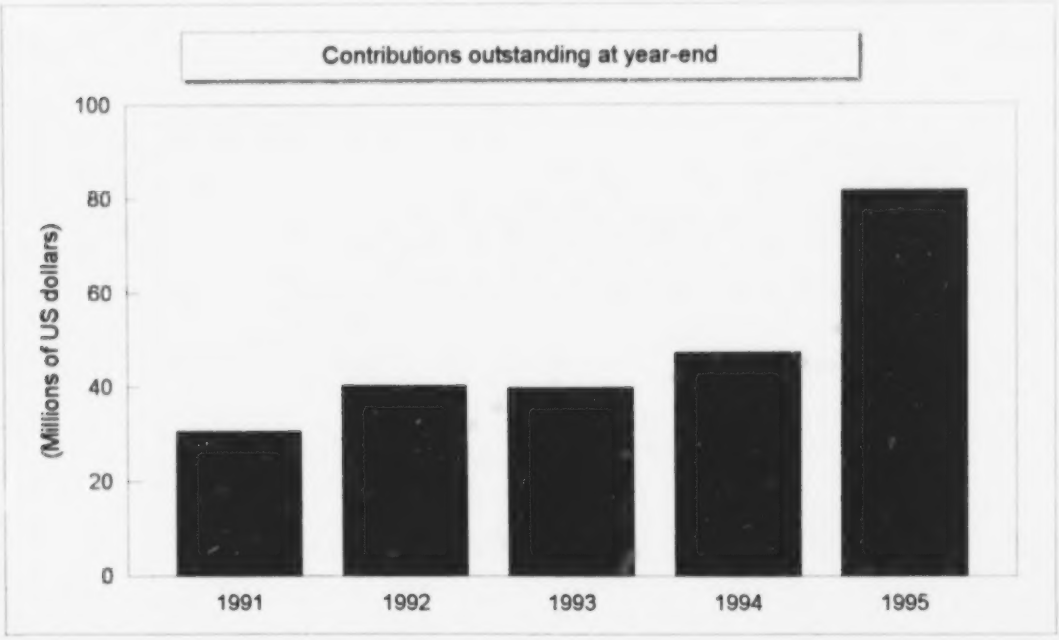
I. CURRENT SITUATION

A. Regular budget

4. The cash position of UNIDO at the end of the first quarter 1996 had revived from unprecedented low levels at the end of 1995. After surviving its most difficult financial year, the Organization opened the year with a cash balance of only $2.3 million. The cash position was particularly characterized by the high level of unpaid assessments at the end of 1995, which amounted to $81.6 million compared to $47.2 million at the end of 1994. The problem of non-payment or late payment of contributions from prior years, including the payment due from the United States of America, is expected to continue to overshadow attempts to replenish reserves during the year. Figure 1 below shows the situation with respect to unpaid assessed contributions for the past five years for the regular budget as of 31 December of each year.

5. Annex I to the present document shows the status of assessed contributions to the regular budget as of

Figure 1



31 March 1996. As of that date, unpaid contributions for the period 1986 to 1995 amounted to $13,255,843 and AS 626,351,780 (equivalent to $62,014,995 at an exchange rate of US$ 1 = AS 10.10) for a total of $75,270,838. Unpaid assessed contributions for the current year amounted to $8,419,699 and AS 796,506,906 (equivalent to $78,862,064) for a total equivalent of $87,281,763. Total outstanding contributions, therefore, amounted to $162,552,601.

6. As of 31 March 1996, the collection rate amounted to 47.46 per cent of the 1996 assessment, 41.64 per cent of which related to current year collections and 5.82 per cent to prior year collections. Collection rates are expected to continue to improve in 1996 as compared to 1995 due to changes in the scale of assessments and assuming that Member States with predictable payment patterns continue to make timely payments. Figure 2 below shows a comparison of 1995 collection rates and 1996 projected collection rates.

7. While about 40 per cent of UNIDO Members pay their contributions during the year in which they are due, a significant number still do not meet their obligations fully, which makes it difficult for the Organization to plan the implementation of its programmes in line with the approved budgets. It is of critical importance that Member States who do not normally pay their current year assessments during the assessment year improve their payment patterns so that cash resources can be replenished to adequate levels. The pattern over the last five years for payment of current year assessments as of 31 March is shown in figure 3 and table 1 below.

Figure 2

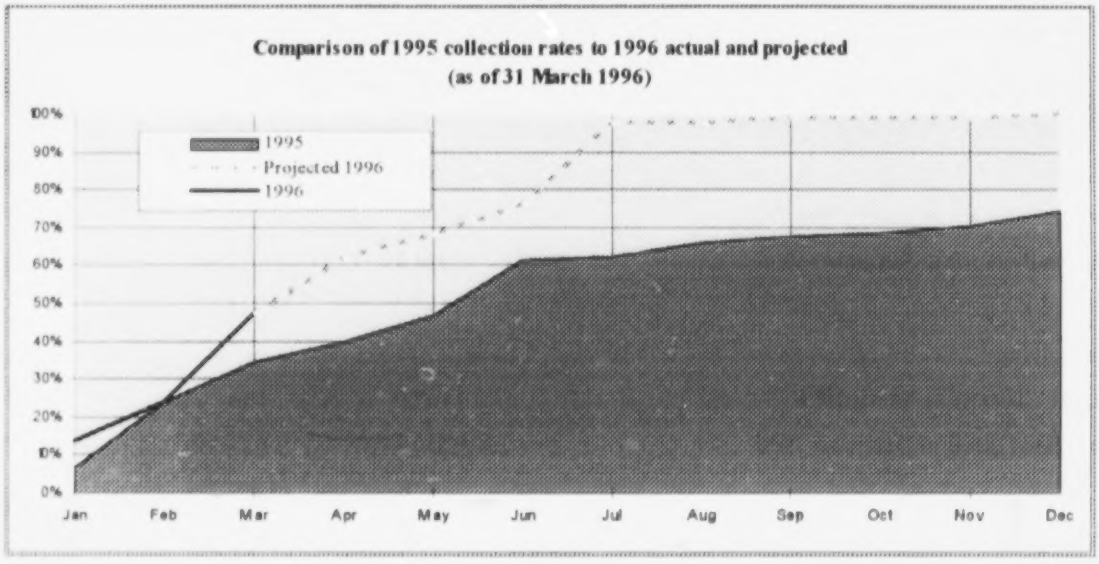


Figure 3

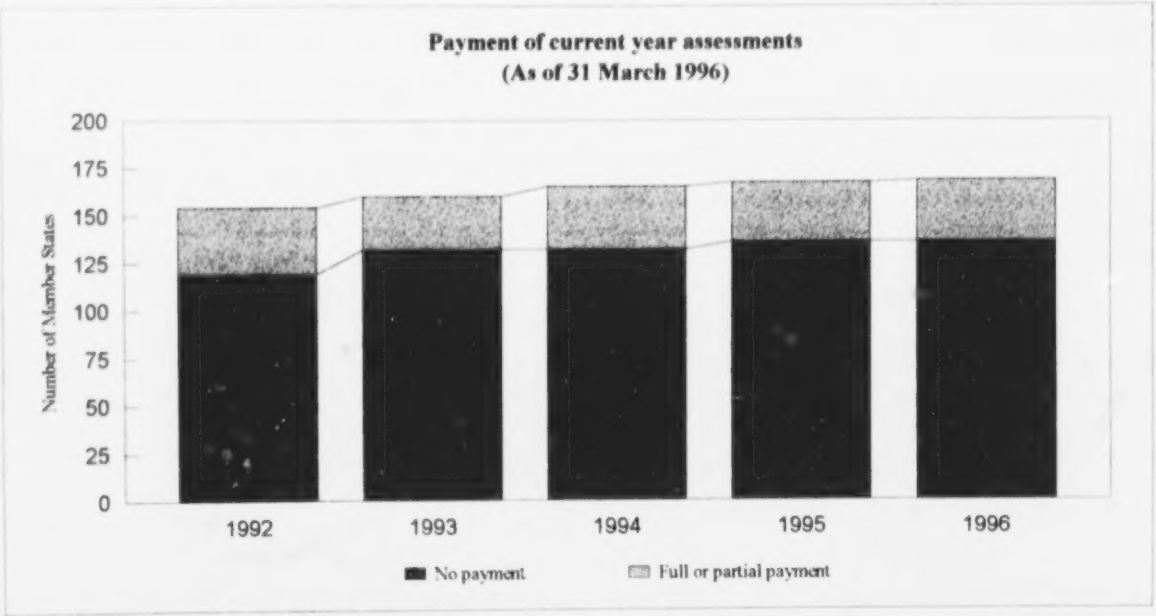


Table 1

Payment of current year assessments
(As of 31 March)

	1992	1993	1994	1995	1996
Number of Member States	154	160	165	167	168
No payment	119	132	132	136	136
Full or partial payment	35	28	33	31	32

Table 2
Operational budget status report, 1996
(In thousands of US dollars)

Opening balance of reserves - 1 January 1996			3,541.8
Income			
Actual - January to March 1996	4,269.7		
Projected - April to December 1996	9,944.4		
		14,214.1	
Expenditure			
Actual - January to March 1996	4,097.0		
Projected - April to December 1996	9,550.1		
		13,647.1	
Estimated surplus/(deficit)			567.0
Estimated closing balance of reserve - 31 December 1996			4,108.8

8. Annex II to the present document shows the status of advances to the Working Capital Fund. Unpaid advances to that Fund as of 31 March 1996 amounted to $197,109. Of the $6,750,000 level of the fund, $552,891 is represented by cash.

9. Annex III to the present document shows the general fund cash flow analysis for 1996 as of 31 March 1996. Projections of assessed contributions income are based on previous patterns of payment and on payment information provided by Member States. Projections of budgeted disbursements and cost reimbursements are based on the contingency plan. However, some activities may need to be deferred until 1997 to ensure that a positive cash balance is maintained. Although it is too early in the year to predict with certainty future cash balances, a policy of financial prudence involving the withholding of some allotments for operating expenditures, travel, consultants and meetings is being followed. As the cash flow analysis indicates, the cash situation may remain positive for most of the year. However, the cash resource base of the Organization, including the Working Capital Fund, is not likely to be replenished unless significant payments related to prior years are received.

B. Operational budget

10. The improvement in the financial situation in the operational budget recorded in 1995 has continued during the first quarter of 1996.

11. The operational budget recorded a surplus of income over expenditure of $846,300 in 1995, which resulted in an increase in the level of reserves from $2,695,500 at 31 December 1994 to $3,541,800 at 31 December 1995.

12. The most recent estimates of income for 1996 of $14.2 million, based on the experience of the first quarter and projections for the remainder of the year are in line with the budget estimates. The projected income for 1996 represents an increase of 5 per cent over the 1995 levels. Expenditures for 1996 are projected to be below income levels, a situation that may permit replenishment of the operational budget reserve.

13. The financial estimates for the operational budget for 1996 are summarized in table 2 above.

II. ACCOUNTABILITY AND TRANSPARENCY

14. In decision IDB.13/Dec.10, the Industrial Development Board requested the Director-General to continue to make every effort to improve accountability and transparency in financial matters and to report on the implementation of that request to the Board at its fifteenth session. The request was made by the Industrial Development Board after taking note of the report of the External Auditor for the financial period 1992-1993 (IDB.13/7). The Director-General provided his comments on the report of the External Auditor in document IDB.13/8 and detailed the measures to be introduced to address the concerns raised therein. During the 1994-1995 biennium, the Secretariat focused on those measures aimed at making the staff responsible for financial matters more accountable. The implementation of these measures is an essential part of UNIDO efforts to improve accountability and transparency.

15. In addition to action taken as a follow-up to the report of the External Auditor, there are a number of other areas in which the Organization has made significant advances in financial accountability, transparency and control.

A. Operational budget

16. Major improvements took place during the 1994-1995 biennium in the financial management of operational budget resources, for example:

(a) The review by the Director-General of the required scope and content of the operational budget and of its relationship to the regular budget was presented in document IDB.13/28. This important review detailed the improvements made in support cost measurement and categorization, and indicated that operational budget resources in future budgets would be allocated primarily to those programmes carrying out, and being reimbursed for, technical cooperation services provided;

(b) A survey was undertaken to identify Professional-level staff time spent in support of technical cooperation activities. The information gathered from the survey was matched with the the results of a cost measurement study undertaken in 1995. This provided the basis for a rational allocation of operational budget resources in the 1996-1997 budget. Also, a methodology was developed to allocate income earned from technical cooperation support and services to the organizational units providing such support or services;

(c) Policy guidelines pertaining to the operational budget reserve were presented in document PBC.11/7. The guidelines detailed the purposes, appropriate level and procedures for utilization of the reserve, which had been seriously depleted in recent years. The presentation of the financial status of the operational budget is now a regular feature of financial reports to the policy-making organs;

(d) The development of an internal reporting system matching the support cost earnings of UNIDO programmes with the operational budget is at an advanced stage and should be fully operational during the second quarter of 1996. The management information that will be derived from the system will further enhance the accountability of managers responsible for technical cooperation activities and will provide an objective basis for future budgetary resource allocations.

B. Language and documentation services

17. Transparency and accountability in the administrative and financial aspects of language and documentation services have been enhanced since the transfer in 1995 of responsibility for the provision of those services from UNIDO to United Nations Office at Vienna (UNOV). The previous arrangements in which UNIDO administered UNOV staff and the organizations shared costs based on relative workloads were extremely complex and did not show a clear demarcation of financial authority in either UNOV or UNIDO. The agreement with UNOV on the provision of language and documentation services, which foresees UNIDO as a "purchaser of services", has resulted in simplified

administrative and financial arrangements and has led to improved accountability and transparency. Information on the subject was provided to the Board in document IDB.14/20.

C. Accounting standards

18. A further important development concerns the presentation of financial statements. After considering the recommendations of the Panel of External Auditors, the Consultative Committee on Administrative Questions (CCAQ) adopted revised accounting standards for the United Nations system. As reported in document IDB.13/5, UNIDO is applying these revisions and the financial statements to be presented to the twelfth session of the Programme and Budget Committee have been prepared in full compliance with the new standards. One prominent feature of the new standards is the inclusion of a statement of the responsibilities of the Director-General in respect of the accounting records and financial statements. The Secretariat has continued to work closely with the External Auditors to ensure that financial information is presented in the most accurate, transparent and understandable manner.

D. Other measures

19. There are a number of other measures, procedures or reports introduced by the administration that represent improved accountability and transparency in financial matters. These include:

(a) The establishment of a separation indemnity reserve to record all the costs of staff separation, thereby ensuring full disclosure of the staff reduction costs (see chap. III below);

(b) The introduction of monthly executive management reports, including cash flow and budgetary implementation, which has led to a heightened awareness among senior staff of the financial challenges facing UNIDO. The reports are expected to facilitate improved planning of financial implementation and control;

(c) A comprehensive review is being undertaken of the financial regulations and rules with a view to presenting proposals to the twelfth session of the Programme and Budget Committee.

E. Summary

20. The process of ensuring improved accountability and transparency in financial matters is ongoing. Member States will be kept informed of developments and, indeed, may see for themselves the improvements made in documents containing financial information that are submitted to the policy-making organs.

III. SEPARATION INDEMNITY RESERVE

21. The separation indemnity reserve was established on 31 December 1995 to fund and account for the costs of the staff reduction exercise, which is being implemented as a result of reductions in the number of established posts approved for the biennium 1996-1997 in the programme and budgets and in the contingency plans.

22. The modalities for the utilization of the reserve and proposals for its funding were described in documents IDB.14/30 and GC.6/32. In its decision GC.6/Dec.15, paragraph (b), the General Conference took note of the establishment of the separation indemnity reserve. The information presented in this chapter addresses the financial impact of the staff reduction exercise to date. Additional information on that exercise is contained in document IDB.15/4-PBC/AS.3/4.

23. The reserve was established at a level of $17 million, which was funded from two sources as follows:

	Thousands of dollars
Obligations against 1994-1995 budgetary appropriations	7,454.0
Unutilized balance of appropriations for 1992-1993 a/	9,546.0
Total	17,000.0

a/ Amount paid in pursuant to GC.6/Dec.15, para. (b).

24. During the first quarter of 1996, the reserve was used to finance the costs of agreed termination of staff and the costs of counselling and support measures including outplacement and retraining.

25. The financial status of the reserve is shown in table 3 below.

26. The balance of the reserve will be utilized to the extent required to finance the non-voluntary staff separations, which are currently being implemented by the Secretariat in accordance with the staff rules and regulations. The final cost of the staff reduction exercise, including voluntary and non-voluntary separations and support measures, is expected to be fully covered within the resources available in the separation indemnity reserve.

Table 3
Separation indemnity reserve
(In thousands of US dollars)

Approved level of the reserve				17,000.0
Utilization (to 31 March 1996)				
	Disbursements	**Obligations**	**Total**	
(i) Agreed termination	8,114.0	5,428.6	13,542.6	
(ii) Support measures		14.0	14.0	
				13,556.6
Balance of the reserve at 31 March 1996				3,443.4

IV. PROMISSORY NOTES

27. The Executive Committee of the Montreal Protocol Multilateral Fund has decided that, apart from cash, promissory notes issued by parties to the Montreal Protocol constitute committable resources, and that the deposit of a promissory note is to be considered as a payment of the party's contribution to the Multilateral Fund.

28. Of the four executing agencies (UNEP, UNDP, UNIDO and World Bank) only the World Bank is currently accepting promissory notes as committable resources to cover projects approved for implementation. The Treasurer of the Montreal Protocol Multilateral Fund is seeking the views of UNIDO on the acceptance of promissory notes as committable resources exclusively for projects funded by the Montreal Protocol Fund. The views of UNIDO, along with the views of the other executing agencies will be embodied in a report to the Executive Committee, which is scheduled to meet at Montreal from 6 to 7 May 1996.

29. UNIDO is currently reviewing the legal, financial and administrative implications related to the principle of accepting promissory notes instead of cash to cover commitments related to the Fund. In 1996, about $117 million is available for the executing agencies, $30.9 million of which UNIDO expects to deliver. Bearing in mind that the principal donors may insist upon this financing mechanism, UNIDO, together with the other executing agencies, is seriously considering a common position of accepting the notes. In this regard, the Financial Rules of UNIDO will be reviewed and amended, as appropriate, with respect to the acceptance of promissory notes exclusively for the Montreal Protocol Fund.

V. ACTION REQUIRED OF THE COMMITTEE

30. The Committee may wish to recommend to the Industrial Development Board the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Takes note of the report of the Director-General on the financial situation of UNIDO (PBC/AS.3/3 - IDB.15/3) containing information concerning the status of assessed contributions, advances to the Working Capital Fund, cash flow estimates and information on the regular and operational budget;

"(b) Takes note of the information contained in chapter II of document PBC/AS.3/3 - IDB.15/3 on accountability and transparency on financial matters, the separation indemnity reserve and on promissory notes;

"(c) Urges those Member States that have not yet paid their assessed regular budget contributions, including advances to the Working Capital Fund, for the bienniums 1986-1987 to 1994-1995 and for 1996, to do so without delay."

Annex I

STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET

(As of 31 March 1996)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996				Collections and Credits in 1996		Contributions Outstanding as of 31 March 1996						Date of Last Payment
		Prior Years		Current Year				Prior Years		Current Year		(RoE:10.10)	TOTAL	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.	
AFGHANISTAN	0.0100	13,862	222,852	938	88,750	225	0	13,637	222,852	938	88,750	30,851	45,426	90-01-02
ALBANIA	0.0100	22,523	222,852	938	88,750	225	0	22,298	222,852	938	88,750	30,851	54,087	92-01-21
ALGERIA	0.2224	10,445	988,109	20,865	1,973,808	28	2,605	10,417	985,504	20,865	1,973,808	293,002	324,284	95-11-16
ANGOLA	0.0100	1,845	174,492	938	88,750	22	2,035	1,823	172,457	938	88,750	25,862	28,623	95-06-20
ARGENTINA	0.6671	688,346	13,371,090	62,585	5,920,537	8,971	0	679,375	13,371,090	62,585	5,920,537	1,910,062	2,652,022	95-05-31
ARMENIA	0.0764	295,180	3,119,920	7,168	678,053	0	0	295,180	3,119,920	7,168	678,053	376,036	678,384	
AUSTRALIA	2.0570	0	0	192,980	18,255,950	192,980	18,255,950	0	0	0	0	0	0	96-03-25
AUSTRIA	1.2022	0	0	112,786	10,669,569	112,610	10,652,922	0	0	176	16,647	1,648	1,824	96-03-20
AZERBAIJAN	0.1633	276,043	5,125,584	15,320	1,449,293	0	0	276,043	5,125,584	15,320	1,449,293	650,978	942,341	
BAHAMAS	0.0278	0	0	2,608	246,726	2,034	192,473	0	0	574	54,253	5,372	5,946	96-02-09
BAHRAIN	0.0278	0	0	2,608	246,726	79	7,443	0	0	2,529	239,283	23,691	26,220	95-02-21
BANGLADESH	0.0100	0	0	938	88,750	218	20,648	0	0	720	68,102	6,743	7,463	95-09-25
BARBADOS	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-09-27
BELARUS	0.4065	396,848	11,142,574	38,136	3,607,702	17,561	0	379,287	11,142,574	38,136	3,607,702	1,460,424	1,877,847	95-09-27
BELGIUM	1.4003	0	0	131,371	12,427,713	131,371	12,427,713	0	0	0	0	0	0	96-03-28
BELIZE	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-03-07
BENIN	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-09-22
BHUTAN	0.0100	2,006	189,719	938	88,750	960	90,785	1,046	98,934	938	88,750	18,582	20,566	96-02-29
BOLIVIA	0.0100	24,794	222,852	938	88,750	225	0	24,569	222,852	938	88,750	30,851	56,358	91-05-28
BOSNIA AND HERZEGOVINA	0.0174	90,100	891,406	1,632	154,426	0	0	90,100	891,406	1,632	154,426	103,548	195,280	
BOTSWANA	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-03-30
BRAZIL	2.2516	317,062	29,994,064	211,237	19,983,032	0	0	317,062	29,994,064	211,237	19,983,032	4,948,227	5,476,526	95-11-30
BULGARIA	0.1147	0	0	10,761	1,017,967	464	43,936	0	0	10,297	974,031	96,439	106,736	95-10-31
BURKINA FASO	0.0100	61,831	222,852	938	88,750	0	0	61,831	222,852	938	88,750	30,851	93,620	86-07-01
BURUNDI	0.0100	7,049	222,852	938	88,750	225	0	6,824	222,852	938	88,750	30,851	38,613	94-11-17
CAMBODIA	0.0100	1,178	111,426	938	88,750	0	0	1,178	111,426	938	88,750	19,819	21,935	

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE.10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
CAMEROON	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	94-05-24
CAPE VERDE	0.0100	31,247	222,852	938	88,750	225	0	31,022	222,852	938	88,750	30,851	62,811	93-06-09
CENTRAL AFRICAN REPUBLIC	0.0100	47,222	222,852	938	88,750	225	0	46,997	222,852	938	88,750	30,851	78,786	89-02-02
CHAD	0.0100	31,278	222,852	938	88,750	0	0	31,278	222,852	938	88,750	30,851	63,067	
CHILE	0.1112	9,275	877,361	10,432	986,904	0	0	9,275	877,361	10,432	986,904	184,580	204,287	95-12-15
CHINA	1.0216	0	0	95,843	9,066,737	377	35,651	0	0	95,466	9,031,086	894,167	989,633	95-03-03
COLOMBIA	0.1390	173	16,410	13,040	1,233,630	12,132	1,147,729	0	0	1,081	102,311	10,130	11,211	96-03-20
COMOROS	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
CONGO	0.0100	41,890	222,852	938	88,750	225	0	41,665	222,852	938	88,750	30,851	73,454	91-04-29
COSTA RICA	0.0100	39,615	222,852	938	88,750	225	0	39,390	222,852	938	88,750	30,851	71,179	95-12-28
COTE D'IVOIRE	0.0100	3,877	366,710	938	88,750	108	10,174	3,769	356,536	938	88,750	44,087	48,794	95-05-26
CROATIA	0.1251	32,980	3,119,920	11,736	1,110,267	397	37,587	32,583	3,082,333	11,736	1,110,267	415,108	459,427	95-03-30
CUBA	0.0730	101,514	2,228,514	6,849	647,878	88,810	1,026,768	12,704	1,201,746	6,849	647,878	183,130	202,683	96-03-19
CYPRUS	0.0417	0	0	3,912	370,089	3,912	370,089	0	0	0	0	0	0	96-01-29
CZECH REPUBLIC	0.3614	0	0	33,905	3,207,438	33,905	3,207,438	0	0	0	0	0	0	96-03-05
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.0695	133,924	1,114,258	6,520	616,815	0	0	133,924	1,114,258	6,520	616,815	171,393	311,837	93-07-28
DENMARK	0.9972	0	0	93,554	8,850,186	93,554	8,850,186	0	0	0	0	0	0	96-01-12
DJIBOUTI	0.0100	31,268	222,852	938	88,750	225	0	31,043	222,852	938	88,750	30,851	62,832	94-03-18
DOMINICA	0.0100	20,503	222,852	938	88,750	225	0	20,278	222,852	938	88,750	30,851	52,067	93-11-29
DOMINICAN REPUBLIC	0.0100	178,382	445,702	938	88,750	0	0	178,382	445,702	938	88,750	52,915	232,235	
ECUADOR	0.0278	40,837	668,554	2,608	246,726	823	0	40,014	668,554	2,608	246,726	90,622	133,244	95-11-30
EGYPT	0.0973	0	0	9,128	863,541	169	16,033	0	0	8,959	847,508	83,912	92,871	95-11-08
EL SALVADOR	0.0100	55,390	222,852	938	88,750	0	0	55,390	222,852	938	88,750	30,851	87,179	
EQUATORIAL GUINEA	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
ERITREA	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-12-15
ETHIOPIA	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-01-23

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE.10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
FIJI	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-02-09
FINLAND	0.8582	0	0	80,513	7,616,556	80,513	7,616,556	0	0	0	0	0	0	96-03-01
FRANCE	8.9056	0	0	835,490	79,037,524	835,490	79,037,524	0	0	0	0	0	0	96-03-19
GABON	0.0100	33,350	445,702	938	88,750	1,125	0	32,225	445,702	938	88,750	52,915	86,078	95-07-26
GAMBIA	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
GEORGIA	0.1633	475,380	4,902,732	15,320	1,449,293	0	0	475,380	4,902,732	15,320	1,449,293	628,914	1,119,614	
GERMANY	12.5680	0	0	1,179,083	111,541,457	589,542	55,770,734	0	0	589,541	55,770,723	5,521,854	6,111,395	96-01-29
GHANA	0.0100	379	35,804	938	88,750	22	2,035	357	33,769	938	88,750	12,130	13,425	95-11-10
GREECE	0.5282	19,293	1,825,085	49,554	4,687,794	0	0	19,293	1,825,085	49,554	4,687,794	644,839	713,686	95-09-05
GRENADA	0.0100	42,608	222,852	938	88,750	225	0	42,383	222,852	938	88,750	30,851	74,172	94-02-28
GUATEMALA	0.0278	86,743	445,702	2,608	246,726	0	0	86,743	445,702	2,608	246,726	68,556	157,907	93-08-06
GUINEA	0.0100	21,510	222,852	938	88,750	19,403	23,553	2,107	199,299	938	88,750	28,519	31,564	96-03-04
GUINEA-BISSAU	0.0100	51,947	222,852	938	88,750	225	0	51,722	222,852	938	88,750	30,851	83,511	89-11-21
GUYANA	0.0100	0	0	938	88,750	27	2,560	0	0	911	86,190	8,534	9,445	95-08-03
HAITI	0.0100	62,214	222,852	938	88,750	225	0	61,989	222,852	938	88,750	30,851	93,778	89-03-28
HONDURAS	0.0100	30,155	222,852	938	88,750	225	0	29,930	222,852	938	88,750	30,851	61,719	95-08-21
HUNGARY	0.1946	0	0	18,257	1,727,082	379	35,859	0	0	17,878	1,691,223	167,448	185,326	95-05-30
INDIA	0.4309	3,553	336,136	40,425	3,824,253	489	46,251	3,064	289,885	40,425	3,824,253	407,340	450,829	95-10-30
INDONESIA	0.1946	0	0	18,257	1,727,082	207	19,580	0	0	18,050	1,707,502	169,060	187,110	95-08-24
IRAN (ISLAMIC REPUBLIC OF)	0.6498	106,948	10,117,252	60,962	5,766,999	9,768	924,047	97,180	9,193,205	60,962	5,766,999	1,481,208	1,639,350	96-01-12
IRAQ	0.1946	400,334	3,119,920	18,257	1,727,082	0	0	400,334	3,119,920	18,257	1,727,082	479,900	898,491	90-06-21
IRELAND	0.2919	0	0	27,385	2,590,623	27,385	2,590,623	0	0	0	0	0	0	96-03-07
ISRAEL	0.3718	0	0	34,881	3,299,739	0	0	0	0	34,881	3,299,739	326,707	361,588	95-12-01
ITALY	7.2239	0	0	677,719	64,112,375	0	0	0	0	677,719	64,112,375	6,347,760	7,025,479	95-10-25
JAMAICA	0.0100	33	3,140	938	88,750	21	2,036	12	1,104	938	88,750	8,896	9,846	95-09-19
JAPAN	21.4528	0	0	2,012,621	190,394,379	482,900	45,682,465	0	0	1,529,721	144,711,914	14,327,912	15,857,633	96-02-08
JORDAN	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-11-07

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE 10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
KENYA	0.0100	9,968	222,852	938	88,750	225	0	9,743	222,852	938	88,750	30,851	41,532	95-02-06
KUWAIT	0.2641	30,624	2,897,069	24,777	2,343,897	31,157	2,947,479	0	0	24,244	2,293,487	227,078	251,322	96-03-07
KYRGYZSTAN	0.0452	74,642	1,337,108	4,240	401,152	0	0	74,642	1,337,108	4,240	401,152	172,104	250,986	
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-02-13
LEBANON	0.0100	1,178	111,426	938	88,750	22	2,035	1,156	109,391	938	88,750	19,618	21,712	94-03-08
LESOTHO	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-08-16
LIBERIA	0.0100	40,030	222,852	938	88,750	225	0	39,805	222,852	938	88,750	30,851	71,594	90-11-19
LIBYAN ARAB JAMAHIRIYA	0.2814	53,942	5,103,003	26,400	2,497,435	335	31,708	53,607	5,071,295	26,400	2,497,435	749,379	829,386	95-12-01
LITHUANIA	0.1181	37,692	3,565,624	11,080	1,048,142	615	58,135	37,077	3,507,489	11,080	1,048,142	451,052	499,209	95-10-12
LUXEMBOURG	0.0973	0	0	9,128	863,541	9,128	863,541	0	0	0	0	0	0	96-03-15
MADAGASCAR	0.0100	16,838	222,852	938	88,750	225	0	16,613	222,852	938	88,750	30,851	48,402	94-10-10
MALAWI	0.0100	2,063	195,116	938	88,750	22	2,035	2,041	193,081	938	88,750	27,904	30,883	94-11-28
MALAYSIA	0.1946	0	0	18,257	1,727,082	0	0	0	0	18,257	1,727,082	170,998	189,255	95-05-31
MALDIVES	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-12-28
MALI	0.0100	12,348	222,852	938	88,750	225	0	12,123	222,852	938	88,750	30,851	43,912	95-12-08
MALTA	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-01-24
MAURITANIA	0.0100	49,451	222,852	938	88,750	225	0	49,226	222,852	938	88,750	30,851	81,015	91-11-20
MAURITIUS	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-07-25
MEXICO	1.0945	179	16,919	102,682	9,713,727	853	80,679	0	0	102,008	9,649,967	955,442	1,067,450	95-12-21
MONGOLIA	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-02-19
MOROCCO	0.0417	0	0	3,912	370,089	0	0	0	0	3,912	370,089	36,642	40,554	95-06-16
MOZAMBIQUE	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-12-21
MYANMAR	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-03-15
NAMIBIA	0.0100	0	0	938	88,750	22	2,035	0	0	916	86,715	8,586	9,502	95-01-20
NEPAL	0.0100	2,125	200,968	938	88,750	227	21,427	1,898	179,541	938	88,750	26,563	29,399	96-03-26
NETHERLANDS	2.2064	0	0	206,996	19,581,880	206,996	19,581,880	0	0	0	0	0	0	96-02-09

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE:10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
NEW ZEALAND	0.3336	0	0	31,297	2,960,712	31,297	2,960,712	0	0	0	0	0	0	96-03-01
NICARAGUA	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
NIGER	0.0100	31,278	222,852	938	88,750	225	0	31,053	222,852	938	88,750	30,851	62,842	93-12-14
NIGERIA	0.1598	251,152	4,679,882	14,992	1,418,231	8,114	0	243,038	4,679,882	14,992	1,418,231	603,773	861,803	95-08-22
NORWAY	0.7783	0	0	73,017	6,907,441	0	0	0	0	73,017	6,907,441	683,905	756,922	95-02-06
OMAN	0.0556	0	0	5,216	493,452	0	0	0	0	5,216	493,452	48,857	54,073	95-03-23
PAKISTAN	0.0834	2,885	272,947	7,824	740,178	797	75,406	2,088	197,541	7,824	740,178	92,844	102,756	96-03-25
PANAMA	0.0100	4,094	387,276	938	88,750	108	10,175	3,986	377,101	938	88,750	46,123	51,047	95-12-12
PAPUA NEW GUINEA	0.0100	0	0	938	88,750	137	12,942	0	0	801	75,808	7,506	8,307	95-09-19
PARAGUAY	0.0100	4,270	403,860	938	88,750	2,464	233,022	1,806	170,838	938	88,750	25,702	28,446	96-02-07
PERU	0.0834	133,144	1,337,108	7,824	740,178	57,907	0	75,237	1,337,108	7,824	740,178	205,671	288,732	96-01-23
PHILIPPINES	0.0834	0	0	7,824	740,178	103	9,803	0	0	7,721	730,375	72,314	80,035	95-07-26
POLAND	0.4691	0	0	44,009	4,163,280	1,189	112,471	0	0	42,820	4,050,809	401,070	443,890	95-03-21
PORTUGAL	0.3822	0	0	35,857	3,392,039	0	0	0	0	35,857	3,392,039	335,845	371,702	95-09-25
QATAR	0.0556	5,328	504,064	5,216	493,452	71	6,756	5,257	497,308	5,216	493,452	98,095	108,568	95-11-16
REPUBLIC OF KOREA	1.1362	0	0	106,594	10,083,816	0	0	0	0	106,594	10,083,816	998,398	1,104,992	95-12-04
REPUBLIC OF MOLDOVA	0.1181	188,961	3,565,624	11,080	1,048,142	0	0	188,961	3,565,624	11,080	1,048,142	456,808	656,849	
ROMANIA	0.2085	41,685	3,943,463	19,561	1,850,445	203	19,228	41,482	3,924,235	19,561	1,850,445	571,750	632,793	94-11-17
RUSSIAN FEDERATION	6.1850	1,011,292	95,668,392	580,254	54,892,100	213,593	20,205,910	797,699	75,462,482	580,254	54,892,100	12,906,394	14,284,347	96-03-20
RWANDA	0.0100	11,141	222,852	938	88,750	225	0	10,916	222,852	938	88,750	30,851	42,705	93-06-08
SAINT KITTS AND NEVIS	0.0100	2,131	201,545	938	88,750	22	2,035	2,109	199,510	938	88,750	28,540	31,587	95-12-28
SAINT LUCIA	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-03-21
SAINT VINCENT AND THE GRENADINES	0.0100	46,750	222,852	938	88,750	225	0	46,525	222,852	938	88,750	30,851	78,314	90-04-11
SAO TOME AND PRINCIPE	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
SAUDI ARABIA	1.0007	135,912	12,857,243	93,882	8,881,249	2,233	211,204	133,679	12,646,039	93,882	8,881,249	2,131,416	2,358,977	95-08-25

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as of 1 January 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE:10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
SENEGAL	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	93-02-02
SEYCHELLES	0.0100	41,650	222,852	938	88,750	225	0	41,425	222,852	938	88,750	30,851	73,214	92-09-15
SIERRA LEONE	0.0100	57,645	222,852	938	88,750	225	0	57,420	222,852	938	88,750	30,851	89,209	92-08-05
SLOVAKIA	0.1146	0	0	10,751	1,017,079	10,751	1,017,079	0	0	0	0	0	0	96-02-05
SLOVENIA	0.0973	0	0	9,128	863,541	9,128	863,541	0	0	0	0	0	0	96-03-11
SOMALIA	0.0100	66,970	222,852	938	88,750	0	0	66,970	222,852	938	88,750	30,851	98,759	
SPAIN	3.2836	0	0	308,055	29,142,069	0	0	0	0	308,055	29,142,069	2,885,353	3,193,408	95-05-31
SRI LANKA	0.0100	1,178	111,426	938	88,750	22	2,035	1,156	109,391	938	88,750	19,618	21,712	94-06-24
SUDAN	0.0100	5,507	222,852	938	88,750	225	0	5,282	222,852	938	88,750	30,851	37,071	95-07-06
SURINAME	0.0100	27,862	222,852	938	88,750	225	0	27,637	222,852	938	88,750	30,851	59,426	94-01-24
SWAZILAND	0.0100	0	0	938	88,750	938	88,750	0	0	0	0	0	0	96-03-18
SWEDEN	1.7061	0	0	160,060	15,141,699	160,060	15,141,699	0	0	0	0	0	0	96-01-16
SWITZERLAND	1.6817	0	0	157,771	14,925,149	157,771	14,925,149	0	0	0	0	0	0	96-02-26
SYRIAN ARAB REPUBLIC	0.0695	90,010	891,406	6,520	616,815	0	0	90,010	891,406	6,520	616,815	149,329	245,859	91-06-26
TAJIKISTAN	0.0278	62,201	1,114,258	2,608	246,726	0	0	62,201	1,114,258	2,608	246,726	134,750	199,559	
THAILAND	0.1807	0	0	16,953	1,603,719	16,953	1,603,719	0	0	0	0	0	0	96-03-26
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	0.0100	24,871	445,702	938	88,750	20,629	44,506	4,242	401,196	938	88,750	48,509	53,689	96-02-15
TOGO	0.0100	12,489	222,852	938	88,750	225	0	12,264	222,852	938	88,750	30,851	44,053	93-12-23
TONGA	0.0100	1,773	167,674	938	88,750	22	2,035	1,751	165,639	938	88,750	25,187	27,876	95-03-03
TRINIDAD AND TOBAGO	0.0452	103,677	1,114,258	4,240	401,152	102,132	968,079	1,545	146,179	4,240	401,152	54,191	59,976	96-01-16
TUNISIA	0.0417	3,534	334,277	3,912	370,089	3,523	333,227	11	1,050	3,912	370,089	36,746	40,669	96-01-23
TURKEY	0.5212	0	0	48,897	4,625,669	0	0	0	0	48,897	4,625,669	457,987	506,884	95-12-05
TURKMENISTAN	0.0452	4,711	445,703	4,240	401,152	0	0	4,711	445,703	4,240	401,152	83,847	92,798	
UGANDA	0.0100	2,479	222,852	938	88,750	133	922	2,346	221,930	938	88,750	30,760	34,044	95-01-14
UKRAINE	1.5844	416,584	39,408,823	148,642	14,061,608	6,640	628,131	409,944	38,780,692	148,642	14,061,608	5,231,910	5,790,496	95-12-04

Annex I (cont.)

Member State	Scale of assessment (percentage)		Contributions Payable as of 1 January 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(RoE: 10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
UNITED ARAB EMIRATES	0.2641		199,601	4,902,732	24,777	2,343,897	1,973	0	197,628	4,902,732	24,777	2,343,897	717,489	939,894	95-12-21
UNITED KINGDOM	7.3872		0	0	693,039	65,561,668	693,039	65,561,668	0	0	0	0	0	0	96-03-28
UNITED REPUBLIC OF TANZANIA	0.0100		15,071	222,852	938	88,750	225	0	14,846	222,852	938	88,750	30,851	46,635	94-12-30
URUGUAY	0.0556		8,522	806,273	5,216	493,452	0	0	8,522	806,273	5,216	493,452	128,686	142,424	95-10-17
UZBEKISTAN	0.1911		60,557	5,728,804	17,928	1,696,019	1,004	94,971	59,553	5,633,833	17,928	1,696,019	725,729	803,210	95-12-28
VANUATU	0.0100		17,716	222,852	938	88,750	225	0	17,491	222,852	938	88,750	30,851	49,280	94-12-22
VENEZUELA	0.4691		957,870	11,365,426	44,009	4,163,280	14,236	0	943,634	11,365,426	44,009	4,163,280	1,537,496	2,525,139	95-06-30
VIET NAM	0.0100		1,249	118,165	938	88,750	1,268	119,990	0	0	919	86,925	8,606	9,525	96-03-25
YEMEN	0.0100		64,584	222,852	938	88,750	225	0	64,359	222,852	938	88,750	30,851	96,148	95-11-03
YUGOSLAVIA	0.1424		1,093,224	3,342,772	13,359	1,263,805	3,888	0	1,089,336	3,342,772	13,359	1,263,805	456,097	1,558,792	91-11-12
ZAIRE	0.0100		41,054	222,852	938	88,750	225	0	40,829	222,852	938	88,750	30,851	72,618	89-12-06
ZAMBIA	0.0100		5,747	222,852	938	88,750	225	0	5,522	222,852	938	88,750	30,851	37,311	95-12-11
ZIMBABWE	0.0100		1,507	142,555	938	88,750	1,383	130,842	124	11,713	938	88,750	9,947	11,009	96-03-25
Sub-Total 1 (168 States)	100.000	86-	52,091	0	0	0	225	0	51,866	0	0	0	0	51,866	
		87-	67,651	0	0	0	225	0	67,426	0	0	0	0	67,426	
		88-	105,816	0	0	0	450	0	105,366	0	0	0	0	105,366	
		89-	149,925	0	0	0	1,575	0	148,350	0	0	0	0	148,350	
		90-	571,680	0	0	0	4,113	0	567,567	0	0	0	0	567,567	
		91-	832,521	0	0	0	1,575	0	830,946	0	0	0	0	830,946	
		92-	1,585,589	0	0	0	126,034	0	1,459,556	0	0	0	0	1,459,555	
		93-	3,600,603	0	0	0	196,892	0	3,403,711	0	0	0	0	3,403,711	
		94-	1,120,554	106,003,662	0	0	224,419	21,229,639	896,135	84,774,013	0	0	8,393,454	9,289,589	
		95-	2,182,300	206,445,161	0	0	74,743	7,070,624	2,107,557	199,374,537	0	0	19,740,033	21,847,590	
		96-	0	0	9,381,608	887,503,603	3,906,559	369,561,071	0	0	5,475,049	517,942,532	51,281,433	56,756,482	
		T-	10,268,730	312,448,813	9,381,608	887,503,603	4,536,810	397,861,334	9,638,479	284,148,550	5,475,049	517,942,532	79,414,920	94,528,448	

Annex I (cont.)

Member State	Scale of assessment (percentage)		Contributions Payable as of 1 January 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Collections and Credits in 1996 Dollars	Collections and Credits in 1996 Schillings	Contributions Outstanding as of 31 March 1996 — Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(Rof. 10.10) $ Equiv.	TOTAL $ Equiv.	Date of Last Payment
UNITED STATES OF AMERICA			3,832,469	362,552,181	2,944,650	278,564,374	215,105	20,348,951	3,617,364	342,203,230	2,944,650	278,564,374	61,462,139	68,024,153	94-11-18
Sub-Total 2 (169 States)		94-	887,819	83,987,807	0	0	215,105	20,348,951	672,714	63,638,856	0	0	6,300,877	6,973,591	
		95-	2,944,650	278,564,374	0	0	0	0	2,944,650	278,564,374	0	0	27,580,631	30,525,281	
		96-	0	0	2,944,650	278,564,374	0	0	0	0	2,944,650	278,564,374	27,580,631	30,525,281	
		T-	3,832,469	362,552,181	2,944,650	278,564,374	215,105	20,348,951	3,617,364	342,203,230	2,944,650	278,564,374	61,462,139	68,024,153	
TOTAL (169 States)	100.000	86-	52,091	0	0	0	225	0	51,866	0	0	0	0	51,866	
		87-	67,651	0	0	0	225	0	67,426	0	0	0	0	67,426	
		88-	105,816	0	0	0	450	0	105,366	0	0	0	0	105,366	
		89-	149,925	0	0	0	1,575	0	148,350	0	0	0	0	148,350	
		90-	571,680	0	0	0	4,113	0	567,567	0	0	0	0	567,567	
		91-	832,521	0	0	0	1,575	0	830,946	0	0	0	0	830,946	
		92-	1,585,589	0	0	0	126,034	0	1,459,555	0	0	0	0	1,459,555	
		93-	3,600,603	0	0	0	196,892	0	3,403,711	0	0	0	0	3,403,711	
		94-	2,008,373	189,991,459	0	0	439,524	41,578,590	1,568,849	148,412,869	0	0	14,694,331	16,263,180	
		95-	5,126,950	485,009,535	0	0	74,743	7,070,624	5,052,207	477,938,911	0	0	47,320,664	52,372,871	
		96-	0	0	12,326,258	1,166,067,977	3,906,559	369,561,071	0	0	8,419,699	796,506,906	78,862,064	87,281,763	
		T-	14,101,199	675,000,994	12,326,258	1,166,067,977	4,751,915	418,210,285	13,255,843	626,351,780	8,419,699	796,506,906	140,877,059	162,552,601	

Annex II

STATUS OF ADVANCES TO THE WORKING CAPITAL FUND AS OF 31 MARCH 1996

(In US dollars)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
AFGHANISTAN	0.0100	675	900	-225	0
ALBANIA	0.0100	675	900	-225	0
ALGERIA	0.2224	15,012	15,300	-288	0
ANGOLA	0.0100	675	900	-225	0
ARGENTINA	0.6671	45,029	54,000	-8,971	0
ARMENIA	0.0764	5,157	0	0	5,157
AUSTRALIA	2.0570	138,847	142,200	-3,353	0
AUSTRIA	1.2022	81,148	71,100	10,048	0
AZERBAIJAN	0.1633	11,023	0	0	11,023
BAHAMAS	0.0278	1,877	1,800	77	0
BAHRAIN	0.0278	1,877	2,700	-823	0
BANGLADESH	0.0100	675	900	-225	0
BARBADOS	0.0100	675	900	-225	0
BELARUS	0.4065	27,439	45,000	-17,561	0
BELGIUM	1.4003	94,520	99,900	-5,380	0
BELIZE	0.0100	675	900	-225	0
BENIN	0.0100	675	900	-225	0
BHUTAN	0.0100	675	900	-225	0
BOLIVIA	0.0100	675	900	-225	0
BOSNIA AND HERZEGOVINA	0.0174	1,175	0	0	1,175
BOTSWANA	0.0100	675	900	-225	0
BRAZIL	2.2516	151,983	50,300	0	1,683
BULGARIA	0.1147	7,742	12,600	-4,858	0
BURKINA FASO	0.0100	675	621	0	54
BURUNDI	0.0100	675	900	-225	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
CAMBODIA	0.0100	675	0	0	675
CAMEROON	0.0100	675	900	-225	0
CAPE VERDE	0.0100	675	900	-225	0
CENTRAL AFRICAN REPUBLIC	0.0100	675	900	-225	0
CHAD	0.0100	675	0	0	675
CHILE	0.1112	7,506	7,200	0	306
CHINA	1.0216	68,958	72,900	-3,942	0
COLOMBIA	0.1390	9,383	12,600	-3,217	0
COMOROS	0.0100	675	8	0	667
CONGO	0.0100	675	900	-225	0
COSTA RICA	0.0100	675	900	-225	0
COTE D'IVOIRE	0.0100	675	1,800	-1,125	0
CROATIA	0.1251	8,444	12,600	-4,156	0
CUBA	0.0730	4,928	9,000	-4,072	0
CYPRUS	0.0417	2,815	1,800	1,015	0
CZECH REPUBLIC	0.3614	24,395	39,601	-15,206	0
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.0695	4,691	4,500	0	191
DENMARK	0.9972	67,311	61,200	6,111	0
DJIBOUTI	0.0100	675	900	-225	0
DOMINICA	0.0100	675	900	-225	0
DOMINICAN REPUBLIC	0.0100	675	64	0	611
ECUADOR	0.0278	1,877	2,700	-823	0
EGYPT	0.0973	6,568	6,300	268	0
EL SALVADOR	0.0100	675	3	0	672
EQUATORIAL GUINEA	0.0100	675	8	0	667
ERITREA	0.0100	675	900	-225	0
ETHIOPIA	0.0100	675	900	-225	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
FIJI	0.0100	675	900	-225	0
FINLAND	0.8582	57,928	54,000	3,928	0
FRANCE	8.9056	601,128	566,100	35,028	0
GABON	0.0100	675	1,800	-1,125	0
GAMBIA	0.0100	675	8	0	667
GEORGIA	0.1633	11,023	0	0	11,023
GERMANY	12.5680	848,340	843,300	5,040	0
GHANA	0.0100	675	900	-225	0
GREECE	0.5282	35,653	33,300	0	2,353
GRENADA	0.0100	675	900	-225	0
GUATEMALA	0.0278	1,877	1,800	0	77
GUINEA	0.0100	675	900	-225	0
GUINEA-BISSAU	0.0100	675	900	-225	0
GUYANA	0.0100	675	900	-225	0
HAITI	0.0100	675	900	-225	0
HONDURAS	0.0100	675	900	-225	0
HUNGARY	0.1946	13,136	17,101	-3,965	0
INDIA	0.4309	29,086	34,200	-5,114	0
INDONESIA	0.1946	13,136	15,301	-2,165	0
IRAN (ISLAMIC REPUBLIC OF)	0.6498	43,861	72,900	-29,039	0
IRAQ	0.1946	13,136	11,057	0	2,079
IRELAND	0.2919	19,703	17,100	2,603	0
ISRAEL	0.3718	25,097	21,601	512	2,984
ITALY	7.2239	487,613	405,000	13,497	69,116
JAMAICA	0.0100	675	900	-225	0
JAPAN	21.4528	1,448,064	1,175,400	272,664	0
JORDAN	0.0100	675	900	-225	0
KENYA	0.0100	675	900	-225	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
KUWAIT	0.2641	17,827	23,400	-5,573	0
KYRGYZSTAN	0.0452	3,051	0	0	3,051
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.0100	675	900	-225	0
LEBANON	0.0100	675	900	-225	0
LESOTHO	0.0100	675	900	-225	0
LIBERIA	0.0100	675	900	-225	0
LIBYAN ARAB JAMAHIRIYA	0.2814	18,995	22,501	-3,506	0
LITHUANIA	0.1181	7,972	14,400	-6,428	0
LUXEMBOURG	0.0973	6,568	5,400	1,168	0
MADAGASCAR	0.0100	675	900	-225	0
MALAWI	0.0100	675	900	-225	0
MALAYSIA	0.1946	13,136	11,701	69	1,366
MALDIVES	0.0100	675	900	-225	0
MALI	0.0100	675	900	-225	0
MALTA	0.0100	675	900	-225	0
MAURITANIA	0.0100	675	900	-225	0
MAURITIUS	0.0100	675	900	-225	0
MEXICO	1.0945	73,879	82,800	-8,921	0
MONGOLIA	0.0100	675	900	-225	0
MOROCCO	0.0417	2,815	2,700	0	115
MOZAMBIQUE	0.0100	675	900	-225	0
MYANMAR	0.0100	675	900	-225	0
NAMIBIA	0.0100	675	900	-225	0
NEPAL	0.0100	675	900	-225	0
NETHERLANDS	2.2064	148,932	141,300	7,632	0
NEW ZEALAND	0.3336	22,518	22,500	18	0
NICARAGUA	0.0100	675	21	0	654

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
NIGER	0.0100	675	900	-225	0
NIGERIA	0.1598	10,787	18,901	-8,114	0
NORWAY	0.7783	52,535	52,200	0	335
OMAN	0.0556	3,753	2,700	0	1,053
PAKISTAN	0.0834	5,629	5,400	229	0
PANAMA	0.0100	675	1,800	-1,125	0
PAPUA NEW GUINEA	0.0100	675	900	-225	0
PARAGUAY	0.0100	675	1,800	-1,125	0
PERU	0.0834	5,629	5,400	229	0
PHILIPPINES	0.0834	5,629	6,300	-671	0
POLAND	0.4691	31,664	44,100	-12,436	0
PORTUGAL	0.3822	25,799	18,901	0	6,898
QATAR	0.0556	3,753	4,500	-747	0
REPUBLIC OF KOREA	1.1362	76,693	64,800	0	11,893
REPUBLIC OF MOLDOVA	0.1181	7,972	0	0	7,972
ROMANIA	0.2085	14,074	16,200	-2,126	0
RUSSIAN FEDERATION	6.1850	417,487	633,600	-216,113	0
RWANDA	0.0100	675	900	-225	0
SAINT KITTS AND NEVIS	0.0100	675	900	-225	0
SAINT LUCIA	0.0100	675	900	-225	0
SAINT VINCENT AND THE GRENADINES	0.0100	675	900	-225	0
SAO TOME AND PRINCIPE	0.0100	675	8	0	667
SAUDI ARABIA	1.0007	67,547	90,900	-23,353	0
SENEGAL	0.0100	675	900	-225	0
SEYCHELLES	0.0100	675	900	-225	0
SIERRA LEONE	0.0100	675	900	-225	0
SLOVAKIA	0.1146	7,736	12,601	-4,865	0
SLOVENIA	0.0973	6,568	9,000	-2,432	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
SOMALIA	0.0100	675	21	0	654
SPAIN	3.2836	221,643	187,200	0	34,443
SRI LANKA	0.0100	675	900	-225	0
SUDAN	0.0100	675	900	-225	0
SURINAME	0.0100	675	900	-225	0
SWAZILAND	0.0100	675	900	-225	0
SWEDEN	1.7061	115,162	104,400	10,762	0
SWITZERLAND	1.6817	113,515	109,800	3,715	0
SYRIAN ARAB REPUBLIC	0.0695	4,691	3,600	0	1,091
TAJIKISTAN	0.0278	1,877	0	0	1,877
THAILAND	0.1807	12,197	10,800	1,397	0
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	0.0100	675	1,800	-1,125	0
TOGO	0.0100	675	900	-225	0
TONGA	0.0100	675	900	-225	0
TRINIDAD AND TOBAGO	0.0452	3,051	4,500	-1,449	0
TUNISIA	0.0417	2,815	2,700	115	0
TURKEY	0.5212	35,181	25,200	0	9,981
TURKMENISTAN	0.0452	3,051	0	0	3,051
UGANDA	0.0100	675	900	-225	0
UKRAINE	1.5844	106,947	176,400	-69,453	0
UNITED ARAB EMIRATES	0.2641	17,827	19,800	-1,973	0
UNITED KINGDOM	7.3872	498,636	473,400	25,236	0
UNITED REPUBLIC OF TANZANIA	0.0100	675	900	-225	0
URUGUAY	0.0556	3,753	3,600	0	153
UZBEKISTAN	0.1911	12,899	23,400	-10,501	0
VANUATU	0.0100	675	900	-225	0
VENEZUELA	0.4691	31,664	45,900	-14,236	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1995	Collections in 1996	Amount outstanding to date
VIET NAM	0.0100	675	900	-225	0
YEMEN	0.0100	675	900	-225	0
YUGOSLAVIA	0.1424	9,612	13,500	-3,888	0
ZAIRE	0.0100	675	900	-225	0
ZAMBIA	0.0100	675	900	-225	0
ZIMBABWE	0.0100	675	900	-225	0
Sub-total (168 States)	**100.000**	**6,750,005**	**6,682,628**	**-129,732**	**197,109**
UNITED STATES OF AMERICA	0.0000	0	2,250,000	-2,250,000	0
Sub-total (1 States)	**0.0000**	**0**	**2,250,000**	**-2,250,000**	**0**
T O T A L (169 States)	**100.000**	**6,750,005**	**8,932,628**	**-2,379,732**	**197,109**

Annex III

CASH FLOW ANALYSIS FOR 1996, AS OF 31 MARCH 1996

General Fund and Working Capital Fund
(In millions of United States dollars) a/

1996	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Opening cash b/	2.3	15.1	15.7	32.4	29.8	23.3	20.9	31.5	23.3	17.2	10.2	4.3
Revaluation c/	0.0	(0.1)	0.2	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net opening cash	2.3	15.0	15.9	31.9	29.8	23.3	20.9	31.5	23.3	17.2	10.2	4.3
Contribution income d/												
1992-1993	0.2	0.0	0.1	0.0	0.8	0.0	0.0	0.0	0.4	0.0	0.2	0.0
1994-1995	0.9	0.1	2.5	1.2	3.4	0.1	4.0	0.2	1.8	0.7	2.0	0.0
1996	10.1	9.8	20.5	12.7	1.4	6.9	16.2	0.2	0.0	0.1	0.0	1.5
Budgeted income e/	0.3	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1
Cost reimbursements	1.7	3.2	1.2	1.2	1.2	1.2	1.3	0.9	1.0	1.0	1.0	1.3
Other income f/												
Income CM	9.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decrease in net receivables g/	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interfund h/	0.0	0.0	4.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total incoming cash	23.7	13.4	29.3	15.3	6.9	8.3	21.6	1.4	3.2	1.8	3.2	2.9
Budgeted disbursements i/												
Prior year/SIR	(4.9)	(6.2)	(5.5)	(3.5)	(4.1)	(1.9)	(1.2)	(1.1)	(0.3)	(0.1)	(0.1)	(0.6)
Current biennium	(5.2)	(5.7)	(6.1)	(6.9)	(7.2)	(7.2)	(7.1)	(7.1)	(7.1)	(7.1)	(7.2)	(7.5)
Cost reimbursements	(0.6)	(0.8)	(1.1)	(1.8)	(1.3)	(1.6)	(1.7)	(1.4)	(1.5)	(1.6)	(1.6)	(1.2)
Other disbursements j/												
United Nations loan	0.0	0.0	0.0	0.0	0.0	0.0	(1.0)	0.0	0.0	0.0	0.0	0.0
Disbursements CM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase in net receivables g/	0.0	0.0	0.0	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interfund h/	0.0	0.0	0.0	(4.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total outgoing cash	(10.7)	(12.7)	(12.7)	(17.4)	(12.6)	(10.7)	(11.0)	(9.6)	(8.9)	(8.8)	(8.9)	(9.3)
Closing cash k/	15.3	15.7	32.5	29.8	24.1	20.9	31.5	23.3	17.6	10.2	4.5	(2.1)
Liabilities other funds,												
1992-1993 surplus l/	(0.2)	0.0	(0.1)	0.0	(0.8)	0.0	0.0	0.0	(0.4)	0.0	(0.2)	0.0
1994-1995 surplus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net closing cash m/	15.1	15.7	32.4	29.8	23.3	20.9	31.5	23.3	17.2	10.2	4.3	(2.1)
Unliquidated obligations at 31/12/96 (anticipated)												(11.0)
Surplus/(deficit) at 31/12/96												(13.1)

Notes for annex III, cash flow analysis

a/ Based on exchange rate of US$1 = AS10.40 for the period April to December 1996.

b/ Opening cash - Shows actual cash available for April 1996 based on reconciled balances for RB, XP and WC bank accounts and projections of cash available until the end 1995.

c/ Revaluation - Change in value of Austrian schilling accounts in dollar terms.

d/ Contribution income - Austrian schilling contributions are converted into the United States dollar equivalent at the applicable United Nations rate of exchange.

e/ Budgeted income - Includes interest earned on bank accounts and investments, income from sale of publications and other miscellaneous income, such as refunds of prior biennium expenditures. Cost reimbursement income includes payments from UNOV and IAEA for costs incurred on their behalf.

f/ Other income - Income from CM.

g/ Decrease/increase in net receivables - Net movement between accounts receivable and accounts payable.

h/ Interfund - Net cash movement between regular budget accounts and other accounts.

i/ Budgeted disbursements - Includes disbursements against regular budget and regular programme allotments and disbursements for costs incurred by UNOV and IAEA.

j/ Other disbursements - Includes CM disbursements and the United Nations loan.

k/ Closing cash - Total cash in RB and WC bank accounts.

l/ Liabilities other funds - Cash belonging to CM, UNDCP and surplus accounts.

m/ Net closing cash - Actual cash available in regular budget and Working Capital Fund.

Abbreviations

CM	Account code: UNIDO Computer Model for Feasibility Analysis and Reporting (COMFAR)
IAEA	International Atomic Energy Agency
RB	Account code: regular budget
UNDCP	United Nations International Drug Control Programme
UNOV	United Nations Office at Vienna
WC	Account code: working capital
XP	Account code: Regular Programme for Technical Cooperation

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Industrial Development Board

Fifteenth session
Vienna, 6-10 May 1996
Item 11 of the provisional agenda

Programme and Budget Committee

Third additional session
Vienna, 6 May 1996
Item 4 of the provisional agenda

PERSONNEL MATTERS

Report by the Director-General

Summary

Provides information on the implementation of the scheme of separation of personnel, on the composition of the Secretariat and on matters related to staff regulations and rules.

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Introduction

1. The present document is a consolidated report on a range of personnel matters combining information on:

(a) Implementation of the scheme of separation of personnel;

(b) Composition of the Secretariat, including information on informal desirable ranges of representation;

(c) Amendments to schedules IV and V of the Staff Regulations of UNIDO, related staff rules and appendices thereto, based on system-wide developments and amendments to the staff rules and appendix M thereto to reflect the new staff performance evaluation system.

I. IMPLEMENTATION OF THE SCHEME OF SEPARATION OF PERSONNEL

2. At its sixth session, the General Conference approved the programme and budgets for 1996-1997 and, in GC.6/Dec.11 (e), requested the Director-General to implement them within the cash resource availability and in accordance with the contingency plans presented by him.

3. Paragraph 21 of document IDB.14/29 provided for the possibility of a total of more than 70 Professional and higher-level posts and 160 General Service-level posts being suspended.

4. In GC.6/Dec.14 (e), the General Conference requested the Director-General to report to the Industrial Development Board at its fifteenth session on the implementation of the scheme of separation of personnel.

5. Expenditure reductions were introduced in August 1995 in response to the announcement by the United States at the fourteenth session of the Industrial Development Board of a possible sharp cut in the payment of its assessed contributions for 1995 and possibly for the 1996-1997 biennium. Among the measures introduced was the non-extension of short-term appointments and of fixed-term appointments of less than one year.

6. A staff reduction programme was introduced in November 1995, commencing with a voluntary separation programme. Details of this programme were announced to the staff on 20 November 1995 through a Director-General's bulletin UNIDO/DG/B.201. A total of 128 requests for separation were approved during the voluntary phase of the staff reduction programme, two of which materialized as transfers to other organizations within the common system. Requests for separation from a further 16 staff members were not approved on the grounds of cost effectiveness and of the requirements of maintaining essential services. One of the guiding principles throughout the staff reduction programme was the need to preserve UNIDO as a viable technical agency with the optimal human resource capacity to deliver its programmes.

7. Table 1 below contains the total number of staff who have separated or will separate from the Organization after special leave in connection with voluntary separation and after natural attrition. The figures are broken down by category, division and gender.

8. Table 2 below shows the geographical representation of staff in the Professional and higher categories whose appointments are subject to geographical distribution after implementation of the staff separations described in paragraph 6 above. Table 3 below shows the total number of staff in the Professional and higher categories and in the General Service category before and after the implementation of the expenditure reductions, the voluntary separation programme and after natural attrition.

A. Non-voluntary phase of the staff reduction programme

9. Within the parameters of the programme and budgets, 1996-1997, and related contingency plans, the programmatic objectives of the reform of UNIDO and the activities and skills that are essential to meet these objectives, as well as the posts allocated accordingly to various programmes, programme managers identified a total of 46 posts that were occupied by staff members for abolition under this phase, consisting of 10 Professional and 36 General Service posts. This number includes the posts (1 Professional, 4 Language Teachers and 1 General Service staff member) in the Language Training Unit, Division of Administration, that will be abolished as of 1 January 1997.

10. Director-General's bulletin UNIDO/DGB(M).5 of 16 January 1996 entitled "Staff reduction programme: non-voluntary measures" defined the policies, procedures and responsibilities for the non-voluntary phase of the staff reduction programme. A joint advisory body with staff participation was established, namely, the Advisory Group on Human Resource Planning. The Advisory Group consists of members nominated by the Staff Council and members nominated by the Director-General and its composition reflects divisional, geographical and gender balance.

11. The Advisory Group on Human Resource Planning was entrusted with the responsibility of reviewing and recommending to the Director-General the retention or separation of staff whose posts were identified for abolition using criteria announced to programme managers and staff at large. It has carried out an analysis of the background and qualifications of the affected staff members and has done so through an examination of their official record and, when required, through inter-

views with the staff members concerned. Managing Directors were closely involved in evaluating the potential for redeployment of staff members against available vacant posts. As a result, 16 out of the 40 staff members who were reviewed have been reassigned to alternative positions in which it was found that, following the evaluation described above, their services could be effectively utilized.

12. At the time of writing of the present report, the Advisory Group had not finalized its review of the remaining 24 staff members. Therefore, a precise figure of the number of staff to be separated under this phase or assigned to suitable posts in the field, can only be provided upon completion of the review. The review of the six staff members of the Language Training Unit whose posts will be abolished on 1 January 1997 will be undertaken at a later date.

13. Information concerning the total number of posts abolished together with the costs of the scheme of separation of personnel is contained in the documents on the implementation of the programme and budgets, 1 January to 31 March 1996 (IDB.15/5-PBC/AS.3/5) and on the update of the financial situation of UNIDO (IDB.15/3-PBC/AS.3/3).

14. In summary, it may be pointed out that the voluntary separation programme and the response by staff as described above coupled with the approach adopted by the Organization that initiated expenditure reductions already in August 1995, has minimized the scope and number of staff to be affected by non-voluntary separation from service, which is envisaged to account for only 12 per cent of total staff separations. At the same time, with respect to staff members holding fixed-term appointments and whose posts are not affected, the Organization has discontinued the interim extensions granted in the recent past, and reverted to a normal extension policy.

B. Counselling and support measures

15. In accordance with the report to the Board at its resumed fourteenth session on the financial situation of UNIDO (IDB.14/30, para. 18), a counselling and support programme was introduced in January 1996 to assist staff members separating from the Organization under both phases of the staff reduction programme. This programme, announced in Administrative Circular UNIDO/DA/AC.8 dated 3 January 1996, outlined the support measures available including training, counselling and outplacement of staff. The primary target group is staff who separate from UNIDO under the non-voluntary phase of the staff reduction programme.

16. Since the process of reducing staff is difficult and stressful for all concerned, this programme was designed to provide assistance to separating staff in the areas of:

(a) Dealing with the emotional impact of change;

(b) Informing staff on topics relevant to separation from UNIDO;

(c) Updating critical skills for career transitions;

(d) Assistance in job searching.

17. To date, UNIDO has been able to offer staff members specific workshops/seminars on managing change, resume writing, job search strategies, language training and computer-related skills.

18. Assistance was also provided to staff members in submitting applications to United Nations peace-keeping and other missions.

19. The Director-General acknowledges the support of Member States in approving the indemnity reserve and special indemnity for fixed-term staff that facilitated the staff separation programme. The cooperation of the host country in relation to the support measures and transitional visa arrangements for separating staff members is gratefully acknowledged.

20. The Director-General would like to express his appreciation for the cooperation and understanding of the staff members affected by the staff separation programme and, in spite of difficult circumstances, for the hard work and dedication of the staff who remain.

II. COMPOSITION OF THE SECRETARIAT, INCLUDING INFORMATION ON INFORMAL DESIRABLE RANGES OF REPRESENTATION

21. In connection with this item, the relevant provisions of the Constitution are reiterated, namely Article 11.5, which, *inter alia*, stipulates that "The staff shall be appointed by the Director-General under regulations to be established by the Conference upon recommendation of the Board. ... The conditions of service of staff shall conform as far as possible to those of the United Nations common system. The paramount consideration in the employment of the staff and in determining the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity. Due regard shall be paid to the importance of recruiting staff on a wide and equitable geographical basis".

22. Table 2 below provides information on the geographical representation of staff in the Professional and higher categories whose appointments are subject to geographical distribution after implementation of the voluntary separation programme and natural attrition. Table 3 below is a comparative table of staff by category and gender as of 1 August 1995 and 1 April 1996.

23. UNIDO follows a system of informal desirable ranges for the geographical distribution of its staff in the Professional and higher categories, which is based on the formula of the United Nations, adopted by the General Assembly in resolution 42/220 of 21 December 1987.

24. The informal desirable ranges are calculated on the basis of the United Nations formula that consists of four factors:

(a) The base figure: consists of the actual number of posts in the Professional and higher categories that are subject to geographical distribution. Excluded are posts of advisory and technical cooperation staff who are appointed on the basis of their technical expertise and are not subject to geographical distribution. The current base figure of 400 posts was established in 1992. Given the requirements of the contingency plans, the mandated vacancy rate of 7 per cent and the necessity of retaining a number of advisory posts - including posts of UNIDO Country Directors - the base figure will be reduced to 300 posts as of 1 January 1997. The number of such posts to be filled would depend on the prevailing financial situation.

(b) The membership factor: each Member State of UNIDO has a share of one post by virtue of its membership; the weight of this factor is determined by the number of Member States relative to the base figure. For example, with a membership of 168 Member States plus an additional two reserved for future membership, the weight of the membership factor is 170 posts or 57 per cent of the base figure of 300 posts.

(c) The population factor: is given a weight of 5 per cent. Posts subject to this factor are distributed among Member States in proportion to their population, with a progressive reduction in weight of population. In the example given above, 15 posts are allocated to the population factor (namely, 5 per cent of 300 posts).

(d) The contribution factor: is derived after the posts allocated to the membership and population factors are subtracted from the base figure. In the example given above, this amounts to 115 posts, or 38 per cent of the base figure. The contribution factor for each Member State would then be 1.15 (115 divided by 100), multiplied by the assessment of that Member State to the regular budget under the contribution scale.

25. Table 4 below contains information on the informal desirable ranges of geographical representation organized according to the Lists of States included in Annex I to the Constitution of UNIDO. New ranges from 1 January 1997 are calculated on a base figure of 300 posts and a membership factor of 170 posts. The current range is calculated on a base figure of 400 posts and a membership factor of 160 posts. While changes in the ranges for most countries are limited, it should be noted that the reduction of posts by 25 per cent, coupled with the increase in the number of Member States, has resulted in a reduction in the upper limit of the range for certain countries, some more pronounced than others.

Table 1

Number of staff who have or will separate from the Organization in connection with the voluntary separation programme, including natural attrition a/ as of 1 April 1996

Category	GM	CFD	RPD	HEPD	ISED	ITPD	DA	TOTAL
Professional	6	11	2	4	6	4	9	42
Female	4	4	1	1	0	0	4	14
Male	2	7	1	3	6	4	5	28
General Service	7	16	7	6	8	8	58	110
Female	7	14	5	6	7	8	29	76
Male	0	2	2	0	1	0	29	34
Total	**13**	**27**	**9**	**10**	**14**	**12**	**67**	**152**
Female	11	18	6	7	7	8	33	90
Male	2	9	3	3	7	4	34	62

a/ Figures below cover the period of 31 December through 1 April 1996.

Table 2

Staff before (31 December 1995) and after (1 April 1996) the implementation of the voluntary separation progamme and natural attrition a/

	31 December 1995					1 April 1996				
List of States	Male	%	Female	%	Total	Male	%	Female	%	Total
A and C	90	77%	27	23%	117	81	79%	21	21%	102
B	*114*	70%	*50*	30%	164	*108*	71%	*45*	29%	153
D	33	97%	1	3%	34	31	97%	1	3%	32
Others	*5*	83%	*1*	17%	6	*5*	83%	*1*	17%	6
Total	**242**	75%	**79**	25%	**321**	**225**	77%	**68**	23%	**293**

a/ In posts subject to geographical distribution .

Table 3

Comparative table of staff a/

	1 August 1995			1 April 1996 b/		
Category	Male	Female	Total	Male	Female	Total
P5 and above	110	15	125	93	12	105
P1 to P4	152	66	218	143	57	200
Subtotal	*262*	*81*	*343*	*236*	*69*	*305*
General Service	210	433	643	166	342	508
Language teachers	2	3	5	2	2	4
Subtotal	*212*	*436*	*648*	*168*	*344*	*512*
Total	**474**	**517**	**991**	**404**	**413**	**817**

a/ Headquarters staff, including UNIDO offices at Geneva and New York and 13 UCDs who are Headquarters staff members.

b/ Figures take account of expenditure reductions, natural attrition and the voluntary separation programme. All staff members opting for voluntary separation are excluded from the 1 April 1996 count whether or not they are on board on that date.

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Afghanistan	1 - 2	1 - 2	1
Algeria	1 - 3	1 - 2	5
Angola	1 - 2	1 - 2	
Bahrain	1 - 2	1 - 2	
Bangladesh	1 - 3	1 - 2	1
Benin	1 - 2	1 - 2	
Bhutan	1 - 2	1 - 2	
Botswana	1 - 2	1 - 2	
Burkino Faso	1 - 2	1 - 2	
Burundi	1 - 2	1 - 2	
Cambodia	1 - 2	1 - 2	
Cameroon	1 - 2	1 - 2	3
Cape Verde	1 - 2	1 - 2	
Central African Republic	1 - 2	1 - 2	
Chad	1 - 2	1 - 2	
China	4 - 6	4 - 5	3
Comoros	1 - 2	1 - 2	
Congo	1 - 2	1 - 2	
Cote d'Ivoire	1 - 2	1 - 2	2
Democratic People's Republic of Korea	1 - 2	1 - 2	
Djibouti	1 - 2	1 - 2	
Egypt	1 - 3	1 - 2	
Equatorial Guinea	1 - 2	1 - 2	
Eritrea	1 - 2	1 - 2	
Ethiopia	1 - 3	1 - 2	1
Fiji	1 - 2	1 - 2	
Gabon	1 - 2	1 - 2	
Gambia	1 - 2	1 - 2	1
Ghana	1 - 2	1 - 2	2
Guinea	1 - 2	1 - 2	1
Guinea-Bissau	1 - 2	1 - 2	
India	3 - 5	3 - 4	7
Indonesia	2 - 3	2 - 3	1
Iran (Islamic Republic of)	2 - 3	2 - 3	3
Iraq	1 - 3	1 - 2	1
Israel	1 - 3	1 - 2	
Jordan	1 - 2	1 - 2	2
Kenya	1 - 2	1 - 2	1
Kuwait	1 - 3	1 - 2	
Kyrgyzstan	1 - 2	1 - 2	
Lao People's Democratic Republic	1 - 2	1 - 2	
Lebanon	1 - 2	1 - 2	
Lesotho	1 - 2	1 - 2	1
Liberia	1 - 2	1 - 2	
Libyan Arab Jamahiriya	1 - 3	1 - 2	
Madagascar	1 - 2	1 - 2	
Malawi	1 - 2	1 - 2	
Malaysia	1 - 3	1 - 2	1
Maldives	1 - 2	1 - 2	
Mali	1 - 2	1 - 2	
Mauritania	1 - 2	1 - 2	
Mauritius	1 - 2	1 - 2	1
Mongolia	1 - 2	1 - 2	
Morocco	1 - 2	1 - 2	3
Mozambique	1 - 2	1 - 2	
Myanmar	1 - 2	1 - 2	1
Namibia	1 - 2	1 - 2	
Nepal	1 - 2	1 - 2	

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Niger	1 - 2	1 - 2	1
Nigeria	2 - 3	1 - 2	1
Oman	1 - 2	1 - 2	
Pakistan	1 - 3	1 - 2	1
Papua New Guinea	1 - 2	1 - 2	
Philippines	1 - 3	1 - 2	3
Quatar	1 - 2	1 - 2	
Republic of Korea	2 - 3	2 - 3	3
Rwanda	1 - 2	1 - 2	1
Sao Tome and Principe	1 - 2	1 - 2	
Saudi Arabia	3 - 4	2 - 3	
Senegal	1 - 2	1 - 2	1
Seychelles	1 - 2	1 - 2	
Sierra Leone	1 - 2	1 - 2	1
Somalia	1 - 2	1 - 2	2
Sri Lanka	1 - 2	1 - 2	2
Sudan	1 - 2	1 - 2	2
Swaziland	1 - 2	1 - 2	
Syrian Arab Republic	1 - 2	1 - 2	1
Thailand	1 - 3	1 - 2	
Togo	1 - 2	1 - 2	1
Tonga	1 - 2	1 - 2	
Tunisia	1 - 2	1 - 2	3
Uganda	1 - 2	1 - 2	2
United Arab Emirates	1 - 3	1 - 2	
United Republic of Tanzania	1 - 2	1 - 2	1
Vanuatu	1 - 2	1 - 2	
Viet Nam	1 - 2	1 - 2	
Yemen	1 - 2	1 - 2	
Yugoslavia a/	1 - 2	1 - 2	1
Zaire	1 - 2	1 - 2	
Zambia	1 - 2	1 - 2	1
Zimbabwe	1 - 2	1 - 2	
LIST A TOTAL	102 - 208	100 - 191	70

a/ Concerning Yugoslavia, see resolution GC/S 1/Res.1 adopted by the General Conference at its first special session

Australia	4 - 5	3 - 4	2
Austria	2 - 3	2 - 3	11
Belgium	3 - 4	2 - 3	7
Cyprus	1 - 2	1 - 2	
Denmark	2 - 3	2 - 3	5
Finland	2 - 3	2 - 3	4
France	12 - 16	10 - 13	8
Germany	18 - 24	13 - 18	18
Greece	2 - 3	1 - 2	4
Ireland	1 - 3	1 - 2	2
Italy	9 - 12	8 - 11	11
Japan	24 - 33	22 - 30	15
Luxembourg	1 - 2	1 - 2	
Malta	1 - 2	1 - 2	1
Netherlands	4 - 5	3 - 4	8
New Zealand	1 - 3	1 - 2	2
Norway	2 - 3	2 - 3	1
Portugal	1 - 3	1 - 2	4
Spain	5 - 6	4 - 6	4
Sweden	3 - 4	3 - 4	5

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Switzerland	3 - 4	3 - 4	
Turkey	2 - 3	2 - 3	5
United Kingdom	10 - 14	8 - 11	14
United States of America b/	48 - 66		22
LIST B TOTAL	161 - 226	96 - 137	153

b/ No longer Member State as of 1.1.97

Argentina	2 - 3	2 - 3	1
Bahamas	1 - 2	1 - 2	
Barbados	1 - 2	1 - 2	
Belize	1 - 2	1 - 2	
Bolivia	1 - 2	1 - 2	2
Brazil	4 - 6	4 - 5	6
Chile	1 - 2	1 - 2	2
Colombia	1 - 3	1 - 2	3
Costa Rica	1 - 2	1 - 2	2
Cuba	1 - 2	1 - 2	1
Dominica	1 - 2	1 - 2	
Dominican Republic	1 - 2	1 - 2	
Ecuador	1 - 2	1 - 2	1
El Salvador	1 - 2	1 - 2	
Grenada	1 - 2	1 - 2	
Guatemala	1 - 2	1 - 2	1
Guyana	1 - 2	1 - 2	1
Haiti	1 - 2	1 - 2	
Honduras	1 - 2	1 - 2	
Jamaica	1 - 2	1 - 2	1
Mexico	3 - 4	2 - 3	4
Nicaragua	1 - 2	1 - 2	
Panama	1 - 2	1 - 2	
Paraguay	1 - 2	1 - 2	
Peru	1 - 2	1 - 2	1
Saint Kitts and Nevis	1 - 2	1 - 2	
Saint Lucia	1 - 2	1 - 2	
Saint Vincent and the Grenadines	1 - 2	1 - 2	
Suriname	1 - 2	1 - 2	
Trinidad and Tobago	1 - 2	1 - 2	1
Uruguay	1 - 2	1 - 2	3
Venezuela	2 - 3	1 - 2	2
LIST C TOTAL	39 - 73	37 - 69	32

Albania	1 - 2	1 - 2	
Armenia	1 - 2	1 - 2	1
Azerbaijan	1 - 2	1 - 2	
Belarus	1 - 3	1 - 2	2
Bosnia and Herzegovina	1 - 2	1 - 2	
Bulgaria	1 - 3	1 - 2	1
Croatia	1 - 2	1 - 2	1
Czech Republic	1 - 2	1 - 2	1
Hungary	1 - 3	1 - 2	6
Lithuania	1 - 2	1 - 2	
Poland	2 - 3	1 - 2	3
Republic of Moldova	1 - 2	1 - 2	
Romania	1 - 3	1 - 2	
Russian Federation	19 - 25	7 - 10	15

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Slovakia	1 - 2	1 - 2	1
The former Yugoslav Republic of Macedonia	1 - 2	1 - 2	
Ukraine	3 - 4	3 - 4	1
LIST D TOTAL	38 - 64	25 - 44	32
Countries which acceded to the Constitution of UNIDO but are not included in any of the above lists			
Georgia	1 - 2	1 - 2	1
Slovenia	1 - 2	1 - 2	
Tajikistan	1 - 2	1 - 2	
Turkmenistan	1 - 2	1 - 2	
Uzbekistan	1 - 2	1 - 2	
Total	5 - 10	5 - 10	1
Non-Member State			
Canada			5

III. MATTERS RELATED TO STAFF REGULATIONS AND RULES

26. As reported in document IDB.13/18 (chap. IV), the General Assembly, in resolution 48/225, section I, approved a revised methodology for determining pensionable remuneration for the General Service and related categories, which was implemented with effect from 1 April 1994. As a result of the revised methodology, pensionable remuneration of General Service staff is no longer the gross salary level as was the case before the revision was introduced. Therefore, the wording used in schedules IV and V to the staff regulations on termination indemnity and repatriation grant respectively, requires adjustment to reflect the correct terminology. The appropriate wording was also introduced in the related staff rules: rules 110.07 (termination indemnity), 110.08 (commutation of accrued annual leave), 110.10 (last day for pay purposes), and appendix I to the staff rules (repatriation grant).

27. The texts of the amended schedules IV and V to the staff regulations and the related staff rules are contained in section A of the annex to the present document, in which the changes are marked by underlining and deletions are shown in square brackets. No financial implications emanate from these textual amendments as the relevant entitlements were paid and continue to be paid on the basis of the net salary scale.

28. The scale of separation payments contained in appendix C, item B, to the staff rules, having been rendered obsolete, is deleted from the staff rules. The scale was rendered obsolete through successive adjustments in the base salary scale of staff in the Professional and higher categories, the last one effective 1 March 1995, was reported on to the Board in document IDB.14/8 on personnel matters. The related staff rules have accordingly been amended to reflect the appropriate terminology, namely staff rules 110.07 and 210.04 (termination indemnity), rules 110.10 and 210.08 (last day for pay purposes), and appendix I to the staff rules (repatriation grant). The texts of the amendments are contained in sections A and B of the annex to the present document. This amendment is in line with General Assembly resolution 44/198 on the United Nations common system: report of the International Civil Service Commission (ICSC), that was reported on to the Board in document IDB.6/22 on administrative matters and announced to the staff in UNIDO/DG/B/Staff Rules/1/Rev.1. No financial implications emanate from this amendment.

29. In accordance with the procedure approved by the General Assembly in its resolution 41/208 on the United Nations pension system for adjusting the pensionable remuneration in between comprehensive reviews, and following the promulgation by ICSC of the revised scales of pensionable remuneration, appendix C to the

staff rules has been amended to show the revised scales of pensionable remuneration for the Professional and higher categories, effective 1 November 1995. The amendment of appendix C to the staff rules was announced to the staff in information circular UNIDO/DA/PS/INF.1281 of 14 December 1995.

30. The provisions of the staff rules relating to staff performance evaluation and conditions for the award of within-grade salary increments have been amended to reflect the new staff performance evaluation system that was introduced with effect from 1 January 1996. The new system highlights the importance of managerial effectiveness and accountability and stresses the link between individual and organizational performance. It applies to all staff members up to and including the level of D-2, including advisory staff. The new system, which requires that performance evaluation reports are to be made on an annual basis, clearly specifies the consequences of particular levels of individual performance and directly links the award of salary increments to the rating contained in the evaluation report. The staff rules amended are rules 104.08 (service and conduct reports), 106.02 (conditions for salary increments), 200.01 (applicability) and appendix M to the staff rules. The texts of the amendments are contained in section C of the annex to the present report, in which the changes are marked by underlining and deletions shown in square brackets.

31. At its eighty-second session in February 1995, the Consultative Committee on Administrative Questions (CCAQ) decided that staff members of United Nations common system organizations serving at specific duty stations would no longer be required to take a portion of their emoluments in the currency of the duty station. In line with this decision, staff rules 106.07 and 206.07 (b) have been amended accordingly. No financial implications emanate from this amendment. The texts of the amendments are contained in section D of the annex to the present report, in which the changes are marked by underlining and deletions are shown in square brackets.

IV. ACTION REQUIRED OF THE BOARD

32. The Board may wish to consider the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Takes note of the information contained in the report by the Director-General on personnel matters (IDB.15/4) with regard to the implementation of the scheme of separation of personnel and the composition of the Secretariat, including information on informal desirable ranges of representation;

"(b) Notes the adjustment in wording to schedules IV and V to the staff regulations and to staff rules 110.07, 110.08, 110.10 and appendix I to the staff rules to bring them into conformity with the decision of the United Nations General Assembly as set out in resolution 48/225;

"(c) Also notes the deletion of appendix C, item B, to the staff rules and the adjustment in wording to staff rules 110.07 and 210.04, 110.10 and 210.08 and appendix I to the staff rules resulting from the decision of the General Assembly set out in resolution 44/198;

"(d) Notes the amendment to appendix C to the staff rules as reflected in paragraph 29 of document IDB.15/4;

"(e) Also notes the amendments to staff rules 104.08, 106.02, 200.01 and appendix M to the staff rules that reflect the new staff performance evaluation system that was introduced with effect from 1 January 1996;

"(f) Notes the amendments to staff rules 106.07 and 206.07(b) in relation to the currency of salary payments."

Annex

ADJUSTMENTS TO STAFF RULES AND REGULATIONS

A. Schedules IV and V to staff regulations

SCHEDULE IV

TERMINATION INDEMNITY

Staff members whose appointments are terminated shall be paid an indemnity in accordance with the following provisions:

(a) Except as provided in paragraphs (b), (c) and (e) below and in regulation 10.6 (b), the termination indemnity shall be paid in accordance with the following schedule:

Completed years of service	Months of gross salary less staff assessment [where applicable [a] or Months of pensionable remuneration less staff assessment, where applicable [b]]	
	Permanent appointments	Fixed-term appointments
Less than 1	Not applicable	)
1	Not applicable	) One week for each
2	3	) month of uncompleted
3	3	) service subject to a
4	4	) maximum of three
5	5	) months indemnity pay
6	6	3
7	7	5
8	8	7
9	9	9
10	9.5	9.5
11	10	10
12	10.5	10.5
13	11	11
14	11.5	11.5
15 or more	12	12

(b) A staff member whose appointment is terminated for reasons of health shall receive an indemnity equal to the indemnity provided under paragraph (a) above reduced by the amount of any disability benefit that the staff member may receive under the Regulations and Rules of the United Nations Joint Staff Pension Fund for the number of months to which the indemnity rate corresponds.

[[a] For staff in the Professional and higher categories.]
[[b] For staff in the General Service and related categories]

(c) A staff member whose appointment is terminated for unsatisfactory services or who for disciplinary reasons is dismissed for misconduct other than by summary dismissal may be paid, at the discretion of the Director-General, an indemnity not exceeding one half of the indemnity provided under paragraph (a) above.

(d) No indemnity payments shall be made to:

A staff member who resigns, except where termination notice has been given and the termination date agreed upon.

A staff member who has a fixed-term appointment which is completed on the expiration date specified in the letter of appointment.

A staff member who is summarily dismissed.

A staff member who abandons his or her post.

A staff member who is retired under the Regulations of the United Nations Joint Staff Pension Fund.

(e) Staff members specifically engaged for conference and other short-term service may be paid termination indemnity if and as provided in their letters of appointment.

SCHEDULE V

REPATRIATION GRANT

In principle, the repatriation grant shall be payable to staff members whom the Organization is obligated to repatriate. The repatriation grant shall not, however, be paid to a staff member who is summarily dismissed. Staff members shall be entitled to a repatriation grant only upon relocation outside the country of the duty station. Detailed conditions and definitions relating to eligibility and requisite evidence of relocation shall be determined by the Director-General. The amount of the grant shall be proportional to the length of service with the Organization (including any previous qualifying service with the United Nations) as follows:

Years of continuous service away from home country	Staff member with a spouse or dependent child at time of separation	Staff member with neither a spouse nor a dependent child at time of separation	
		Professional and higher categories	General Service category
	Weeks of gross salary, less staff assessment [where applicable [a] or Weeks of pensionable remuneration less staff assessment] where applicable [a]]		
1.....	4	3	2
2.....	8	5	4
3.....	10	6	5
4.....	12	7	6
5.....	14	8	7
6.....	16	9	8
7.....	18	10	9
8.....	20	11	10
9.....	22	13	11
10.....	24	14	12
11.....	26	15	13
12 or more....	28	16	14

[a] For staff in the Professional and higher categories.]
[b] For staff in the General Service category.]

B. Staff rules adjusted as a result of deletion of appendix C, item B

Rule 110.07

TERMINATION INDEMNITY

(a) Payment of termination indemnity under staff regulation 10.6 and schedule IV of the Staff Regulations shall be calculated:

(i) For staff in the Professional and higher categories, on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules];

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

(b) "Completed years of service" referred to in paragraph (a) of schedule IV of the Staff Regulations shall be deemed to comprise the total period of a staff member's full-time continuous service with the Organization, including any such service performed under a United Nations appointment immediately prior to 1 January 1986. Completed months of service shall be taken into account on a proportionate basis. Continuity of such service shall not be considered as broken by periods of special leave without pay or with partial pay, but full months of any such periods exceeding one calendar month shall not be credited as service for indemnity purposes; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(c) Upon separation from service after three years or more of continuous service with the Organization, staff members in the General Service and related categories may be paid an end-of-service allowance in accordance with the terms and conditions set forth in appendix B to the Staff Rules. In cases where the staff member is eligible for payment of a termination indemnity as well as the end-of-service allowance, the staff member shall be granted either of the payments, whichever yields a greater amount.

Rule 110.08

COMMUTATION OF ACCRUED ANNUAL LEAVE

If, upon separation from service, a staff member has accrued annual leave, the staff member shall be paid a sum of money in commutation of the period of such accrued leave up to a maximum of 60 working days. The payment shall be calculated:

(i) For staff in the Professional and higher categories, on the basis of the staff member's net base salary and post adjustment applicable to his or her last duty station before separation;

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

Rule 110.10

LAST DAY FOR PAY PURPOSES

(a) When a staff member is separated from service, the date on which entitlement to salary, allowances and benefits shall cease shall be determined according to the following provisions:

(i) Upon resignation, the date shall be either the date of expiration of the notice period under rule 110.01 or such other date as the Director-General accepts. Staff members will be expected to perform their duties during the period of notice of resignation, except when the resignation takes effect upon the completion of maternity leave or following sick leave or special leave. Annual leave will be granted during the notice of resignation only for brief periods;

(ii) Upon expiration of a fixed-term appointment, the date shall be the date specified in the letter of appointment;

(iii) Upon termination, the date shall be the date provided in the notice of termination;

(iv) Upon retirement, the date shall be the date approved by the Director-General for retirement;

(v) In the case of summary dismissal, the date shall be the date of dismissal;

(vi) In the case of death, the date on which entitlement to salary, allowances and benefits shall cease shall be the date of death, except in the case of staff members who die in service while holding an appointment of at least one year or having completed at least one year's service and who are survived by a spouse or dependent child. In this event, the date shall be determined in accordance with the following schedule:

Completed years of service (As defined in rule 110.07)	Months of extension beyond date of death
3 or less	3
4	4
5	5
6	6
7	7
8	8
9 or more	9

Payment related to the period of extension beyond the date of death may be made in a lump sum as soon as the pay accounts and related matters can be closed. Such payment shall be made only to the surviving spouse and dependent children. For staff in the Professional and higher categories, the payment shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules]. For staff in the General Service and related categories, the payment shall be calculated on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone. All other entitlements and accrual of benefits shall cease as of the date of death.

(b) When an internationally recruited staff member exercises an entitlement to return travel, the last day for pay purposes shall be the date established under subparagraphs (a)(i), (ii) or (iii) above or the estimated date of arrival at the place of entitlement, whichever is later. The estimated date of arrival shall be determined on the basis of the time it would take to travel without interruption by an approved route and mode of direct travel from the duty station to the place of entitlement, the travel commencing no later than the day following the date established under paragraph (a) above.

Rule 210.04

TERMINATION INDEMNITY

(a) Project personnel whose appointments are terminated shall be paid termination indemnities in accordance with the provisions of staff regulation 10.6 and schedule IV of the Staff Regulations.

(b) "Completed years of service" referred to in paragraph (a) of schedule IV of the Staff Regulations shall be deemed to comprise the total period of the full-time continuous service with the Organization, including any such service performed under a United Nations appointment immediately prior to 1 January 1986. Completed months of service shall be taken into account on a proportionate basis. Continuity of service shall not be considered as broken by periods of special leave without pay or with partial pay, but full months of any such periods exceeding one calendar month shall not be credited as service for indemnity purposes; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(c) Payment of termination indemnity shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C (200 series) to the Staff Rules].

Rule 210.08

LAST DAY FOR PAY PURPOSES

(a) When project personnel are separated from service, the date on which entitlement to salary, allowances and benefits shall cease shall be determined according to the following provisions:

(i) Upon resignation, the date shall be the date of the expiration of the notice period under rule 210.01 or such other date as the Director-General accepts;

(ii) Upon expiration of a fixed-term appointment, the date shall be the date specified in the letter of appointment;

(iii) Upon termination, the date shall be the date provided in the notice of termination;

(iv) In the case of summary dismissal, the date shall be the date of dismissal;

(v) In the case of death, the date on which entitlement to salary allowances and benefits shall cease shall be the date of death, except in the case of project personnel who die in service while holding an appointment for at least one year or having completed at least one year's service and who are survived by a spouse or dependent child. In this event, the date shall be determined in accordance with the following schedule:

Completed years of service (as defined in rule 210.04)	Months of extension beyond the date of death
3 years or less	3
4 years	4
5 years	5
6 years	6
7 years	7
8 years	8
9 years or more	9

Payment related to the period of extension beyond the date of death may be made in a lump sum as soon as the pay accounts and related matters can be closed. Such payment shall be made only to the surviving spouse and dependent children. The payment shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary. [according to the scales of separation payments set forth in appendix C (200 series) to the Staff Rules] All other entitlements and accrual of benefits shall cease as of the date of death.

(b) When project personnel are exercising an entitlement to return travel, the last day for pay purposes shall be the date established under subparagraphs (a)(i), (ii) or (iii) above or the estimated date of arrival at the place of entitlement, whichever is later. The estimated date of arrival shall be determined on the basis of the time it would take to travel without interruption by an approved route and mode of direct travel from the duty station to the place of entitlement, the travel commencing not later than the day following the date established under paragraph (a) above.

Appendix I

REPATRIATION GRANT

Payment of repatriation grants under staff regulation 10.8 and schedule V of the Staff Regulations shall be subject to the following definitions and conditions:

(a) "Obligation to repatriate", as used in schedule V of the Staff Regulations, shall mean the obligation to return a staff member and his or her spouse and dependent children, upon separation from service, at the expense of the Organization, to a place outside the country of his or her duty station.

(b) "Home country", as used in schedule V of the Staff Regulations, shall mean the country of home leave entitlement under rule 107.03 or 207.02, or such other country as the Director-General may determine.

(c) Continuous service away from the staff member's home country shall, for the purposes of this appendix, include service performed under a United Nations appointment immediately prior to 1 January 1986. If at any time the staff member was considered to have acquired permanent residence in the country of his or her duty station and subsequently changed from such status, the staff member's continuous service will be deemed to have commenced at the time the change was made. Continuity of such service shall not be considered as broken by periods of special leave without pay or in partial pay, but full months of any such periods shall not be credited as service for the purpose of calculating the amount of the grant payable; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(d) Payment of the repatriation grant shall be subject to the provision by the former staff member of evidence of relocation away from the country of the last duty station. Evidence of relocation shall be constituted by documentary evidence that the former staff member has established residence in a country other than that of the last duty station. This requirement shall not apply to any qualifying service for repatriation grant that was accrued prior to 1 July 1979.

(e) Entitlement to the repatriation grant shall cease if no claim of payment of the grant has been submitted within two years after the effective date of separation from service. However, where both husband and wife are staff members and the spouse who separates first is entitled to the repatriation grant, his or her entitlement to the repatriation grant shall cease if no claim for payment of the grant has been submitted within two years after the date of separation from service of the other spouse.

(f) Payment of the repatriation grant shall be calculated:

(i) For staff in the Professional and higher categories, including project personnel, on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules];

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

(g) Payment shall be at the rates specified in schedule V of the Staff Regulations.

(h) No payments shall be made to staff recruited locally under rule 103.06, to a staff member who abandons his or her post, to a staff member who is summarily dismissed, or to any staff member who is residing at the time of separation from service in his or her home country while performing official duties. A staff member who, after service at a duty station outside his or her home country, has served at a duty station within that

country may be paid on separation from service, subject to paragraph (d) above, the full or partial repatriation grant at the discretion of the Director-General.

(i) A dependent child, for the purpose of the repatriation grant, shall mean a child recognized as dependent under rule 106.15(b) or 200.02 at the time of the staff member's separation from service. The repatriation grant shall be paid at the rate for a staff member with a spouse or dependent child to an eligible staff member regardless of the place of residence of the spouse or dependent child.

(j) Where both husband and wife are staff members and each is entitled, on separation from service, to payment of the repatriation grant, payment shall be made to each, at the single rate, according to their respective entitlements, provided that, where dependent children are recognized, the first parent to be separated may claim payment at the rate applicable to a staff member with a spouse or dependent child. In this event, the second parent, on separation from service, may claim payment at the single rate for the period of qualifying service subsequent thereto, or, if eligible, at the rate applicable to a staff member with a spouse or dependent child for the whole period of his or her qualifying service, from which shall normally be deducted the amount of the repatriation grant paid to the first parent.

(k) Loss of entitlement to payment of return travel expenses under rule 109.10 or 209.12 shall not affect a staff member's eligibility for payment of the repatriation grant.

(l) In the event of the death of an eligible staff member, no payment shall be made unless there is a surviving spouse or one or more dependent children whom the Organization is obligated to repatriate in accordance with the provisions of staff rules 109.02, 109.03 or 209.02. If there is one such survivor, payment shall be made at the single rate; if there are two or more such survivors, payment shall be made at the rate applicable to a staff member with a spouse or dependent child.

C. Performance evaluation and within grade salary increments

Rule 104.08

SERVICE AND CONDUCT REPORTS

(a) [In the salary levels below the Deputy Director-General level] The service and conduct of a staff member shall be the subject of reports made from time to time by the staff member's supervisors as described in appendix M to the Staff Rules. Such reports shall be shown to the staff member and, subject to his or her right of rebuttal in accordance with the provisions set forth in appendix M to the Staff Rules, shall form a part of his or her permanent cumulative record.

(b) The performance report shall serve to ensure that the staff member's assigned work is effectively and efficiently carried out and also to provide a basis for career counselling for the staff member.

Rule 106.02

CONDITIONS FOR SALARY INCREMENTS

(a) Satisfactory service for the purpose of awarding a salary increment shall be defined, unless otherwise decided by the Director-General in any particular case, as satisfactory performance and conduct of staff members in their assignments as evaluated by their supervisors in the most recent annual staff performance evaluation report.

(b) Salary increments shall be effective on the first day of the pay period in which the service requirements are completed, provided that such increments shall not be effective earlier than the first day of the pay period in which a staff member returns to pay status from a period of leave without pay. No increment shall be paid in the case of a staff member whose services cease during the month in which the increment would otherwise have been due.

STAFF RULE 200.01

APPLICABILITY

(a) Staff rules 200.01 through 213.03 are applicable to all staff members appointed by the Director-General specifically for service with technical co-operation projects, hereinafter referred to as "project personnel", except that:

(i) Project personnel appointed as interregional, regional and special technical advisors shall be subject to staff rule 104.08 on service and conduct reports and the related provisions of appendix M to the Staff Rules and to staff rules 109.11 on excess baggage and unaccompanied shipments, 109.12 on removal costs and the related provisions of appendix H to the Staff Rules in lieu of staff rule 209.11 on excess baggage and unaccompanied shipments;

(ii) Staff members appointed under staff rules 100.01 through 113.04 who are detailed to technical co-operation projects for service of less than twelve months shall be subject to rules 206.12 on daily subsistence allowance in addition to rules 100.01 through 113.04;

(iii) Staff members appointed under staff rules 100.01 through 113.04 who are assigned to technical co-operation projects for service of twelve months or more shall be subject to rule 206.01 on salaries in addition to rules 100.01 through 113.04;

(iv) Project personnel who are loaned to the Organization on a reimbursable or non-reimbursable basis and who are appointed as staff members shall be governed by these rules, subject to such modifications, restrictions and exclusions as may be made in their letters of appointment in accordance with the loan agreement;

(v) Associate experts provided by Governments to serve with project personnel under bilateral agreements between the Organization and Governments shall be governed by these rules to the extent that they are made applicable by the terms of such agreements or the terms of their letters of appointment.

(b) Individuals who are recruited to serve with technical co-operation projects in the General Service category shall be appointed under staff rules 100.01 through 113.04.

(c) Individuals who are recruited for service with a Government under the technical co-operation programme for the provision of operational, executive and administrative personnel (OPEX/OPAS) shall be governed by the terms of their contracts.

(d) Individuals who are engaged on special service agreements or through any other contractual arrangements for service with technical co-operation projects shall be governed by the terms of the relevant agreements or contracts.

Appendix M

[PERFORMANCE APPRAISAL REPORT SYSTEM]
STAFF PERFORMANCE EVALUATION REPORT SYSTEM

(a) As stipulated in staff rule 104.08, the service and conduct of staff members shall be the subject of reports made from time to time by their supervisors.

(b) Performance evaluation [appraisal] reports will be made on the following occasions:

(i) After 12 months of probationary service;

(ii) On an annual basis [every two years].

(c) In addition, unless a report has been made during the last six months, it will be required on the following occasions:

(i) If the staff member is assigned to another organizational unit within the UNIDO Secretariat or to a mission for a period of six months or longer;

(ii) If the staff member is transferred to another organization of the United Nations common system or separates from service;

(iii) If the immediate supervisor is about to leave on another assignment or to be separated from the Secretariat.

(d) If the staff member, upon receipt of the report, does not agree with its content, he or she may submit, within one month, a statement of explanation. The statement of explanation can relate to any comment or rating in the report; it will be placed on the staff member's Official Status File. It is, however, not a rebuttal.

(e) A rebuttal may be submitted within one month of receipt of the report if the staff member has received and does not agree with an overall rating given in part IV which indicates that the performance needs improvement (rating D) or is not satisfactory (rating E) [4.1 which indicates that he or she has not fully achieved the expected results]. The rebuttal may cover one or all parts of the report.

(f) The rebuttal is a formal procedure of investigation by a panel of three persons selected by the staff member from a list of five persons senior in grade to the staff member. The list will normally be proposed by the appraising [last reporting] officer. Following the investigation the panel will submit its report normally to the appraising [last reporting] officer, who will record his or her appraisal in writing.

(g) The within-grade salary increment provided for in Staff Regulation 6.1 and Staff Rule 106.01 shall be withheld if the overall rating given in part IV of the staff performance evaluation report is that the performance needs improvement (rating D) or is not satisfactory (rating E).

(h) Special reports shall be made by the head of the division in the form of a memorandum relating directly to the facts requiring the action when:

(i) events warranting the withholding of the salary increment occur subsequent to the most recent performance evaluation which would otherwise have served as the basis for the salary increment;

[(i) There is a recommendation from the department to withhold the within-grade salary increment on the grounds that the staff member does not meet the requirements stipulated in staff rule 106.02, as evaluated by his or her supervisor. This report must be submitted before the salary increment is due;] or

(ii) there is a recommendation for termination of appointment for unsatisfactory service.

(i) Within one month of receipt of the special report, the staff member may submit a rebuttal, which will also be subject to investigation by a rebuttal panel as referred to in paragraph (f) above.

(j) A staff member may request a special report in respect of any assignment of less than six months in another organizational unit.

D. Staff rules related to currency of salary payments

Rule 106.07

CURRENCY OF SALARY PAYMENTS

In general, all salaries and allowances shall be payable in the currency of the duty station. Staff members in the Professional and higher categories whose salaries and allowances are established in the Staff Regulations and staff members in the General Service category having non-local status, however, may at their request be paid part or all [a proportion]of their total emoluments in a currency other than that of their duty station unless otherwise determined by the Director-General [The Director-General shall from time to time determine the proportion that may be so paid].

Rule 206.07

CURRENCY OF SALARY PAYMENTS

(a) The salary, allowances and separation payments due to project personnel under these rules shall be paid in the currency or currencies specified by the Director-General.

(b) The salary and allowances may be paid in not more than two currencies.:

[(b) A portion of the salary and dependency allowances of project personnel shall normally be paid in the currency of the country of the duty station and the remainder in one other currency.]

(c) The rates of exchange for the conversion of currencies shall be the United Nations accounting rates of exchange applicable at the date of payment.

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Industrial Development Board

Fifteenth session
Vienna, 6-10 May 1996
Item 5 (a) of the provisional agenda

Programme and Budget Committee

Third additional session
Vienna, 6 May 1996
Item 5 of the provisional agenda

REVIEW OF THE IMPLEMENTATION OF THE PROGRAMME AND BUDGETS, 1996-1997

Implementation of the programme and budgets, 1 January to 31 March 1996

Report by the Director-General

Summary

Provides information on programme restructuring and on the financial implementation of the budgets during the first quarter of 1996.

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Abbreviations

ACC	Administrative Committee on Coordination
CFD	Country Programmes and Funds Mobilization Division
CSPD	Country Strategy and Programme Development Division
ECDC/TCDC	economic and technical cooperation among developing countries
IDDA	Industrial Development Decade for Africa
JPO	Junior Professional Officer
MFRD	Mobilization and Management of Financial Resources Division
OB	operational budget
RB	regular budget
VIC	Vienna International Centre

* * * * *

Introduction

1. The present document responds to General Conference decision GC.6/Dec.11, paragraph (g), which authorized the Industrial Development Board at its fifteenth session to examine in depth the revised programme and budgets, 1996-1997, and recommend such appropriate changes as may be required in the light of a report of the Director-General on the experience of the Organization in implementing the programme and budgets in the first quarter of 1996. The present document should therefore be considered together with the programme and budgets as contained in document IDB/S.6/2-PBC/AS.2/2 and approved by the General Conference, as well as the contingency plans.

2. The present document describes the organizational changes introduced during the first quarter of 1996, and the consequent adjustments made to the programme and budget structure for the 1996-1997 biennium. Budgetary adjustments linked to the restructuring of UNIDO programmes and information on the financial implementation of the budgets for the first quarter of 1996 are also presented. The adjusted programme structure for the 1996-1997 biennium and budget adjustments by Major Programme are presented in annex I to the present document.

I. ORGANIZATIONAL AND PROGRAMME STRUCTURE

3. The restructuring of the Organization, which was implemented effective 1 March 1996 (UNIDO/DGB(O).6), was based on two main considerations: (a) the merging and adjustment of Major Programmes contained in the approved programme and budgets, 1996-1997 (IDB/S.6/2-PBC/AS.2/2) and related contingency plans; and (b) the results and recommendations emanating from the ongoing UNIDO reform process, more details of which are provided in document IDB.15/14. The reconfiguration of the programme structure is described in detail in the following paragraphs. Annex II to the present document shows the current organizational structure.

4. The structural adjustments concerned General Management and all other Major Programmes of the Organization, with the exception of Industrial Sectors and Environment. General Management was significantly

reorganized and its functions strengthened, with a view to ensuring more coherent managerial control over the core processes of the Organization. Specifically, a new Policy Coordination programme was established, comprising the Strategic Planning Office (merged with Management Coordination and Monitoring), Quality Assurance and Evaluation, Programme and Project Review Committee Secretariat, and Programme Monitoring.

5. While the Strategic Planning Office had always been located in General Management, the other three programmes/subprogrammes were transferred from Major Programme 300 (Country Programmes and Funds Mobilization), which comprises the former Mobilization and Management of Financial Resources (MFRD) as well as the former Country Strategy and Programme Development (CSPD). The new configuration provides an effective basis for linking strategic planning and thematic priority setting with the development, approval and evaluation of the Organization's substantive programmes and projects. The essential oversight and monitoring functions have thus been integrated and rationalized and the neutrality of both quality assurance and evaluation has been reinforced by their organizational delinking from any programme development or implementation considerations. The new Policy Coordination office will be in a position to oversee the entire process of managing UNIDO services (project cycle management), including, in particular, the promotion of required cross-organizational teamwork and consolidated reporting on the services provided to Member States.

6. Within External Relations Services, External Liaison and Protocol and the Secretariat of Policy-making Organs were merged, based on the need to streamline functions in accordance with the reduced resource base. External Relations Services - in close cooperation with the Strategic Planning Office and other relevant units - will coordinate UNIDO activities with those of other organizations and bodies of the United Nations system including ACC.

7. The newly-established Country Programmes and Funds Mobilization Division (CFD) has resulted from the merger of Major Programmes 300 and 400 and retains only those core functions of the previous CSPD and MFRD which relate to programme and project development and concomitant funding requirements. Other programme activities of the previous two Major Programmes were redeployed to General Management and to the Human Resource Development Programme. The CFD regional bureaux will discharge their programming and funds mobilization functions as an integrated and simultaneous activity. The separate Coordination of Funds Mobilization Programme will ensure coordinated approaches and mechanisms for mobilizing financial resources from all potential sources for UNIDO technical cooperation and field representation requirements. The Field Representation Support Unit in the Office of the Managing Director will ensure the effective administrative and substantive liaison of UNIDO field offices, including JPOs and Associate Experts attached to those offices, while their substantive direction will be ensured through the various regional bureaux in close coordination with programme managers in the substantive divisions.

8. Major Programme 500 (Research and Publications) is responsible for most of the activities of the previous Information and Research Major Programme, with one exception, i.e. the Industrial Information Programme was transferred to Major Programme 800 (Investment and Technology Promotion). Among the specific activities of the Major Programme, the control and coordination of publication products will be considerably enhanced through the reinstatement of the previous Publications Board, whose Secretariat is now located in the Office of the Managing Director of the Division.

9. The previous structure of Major Programme 600 (Human Resource, Enterprise and Private Sector Development) has been maintained, with one adjustment: the Human Resource Development Programme was strengthened through the redeployment of the Integration of Women in Industrial Development Subprogramme, previously located in Major Programme 300. This will allow a close integration and special consideration of gender issues in the context of entrepreneurship development, skills upgrading and training that permeate the whole range of UNIDO services under the conceptual leadership of the Human Resource Development Branch.

10. As announced at the sixth session of the General Conference, the programme focus of Major Programme 800 (Investment and Technology Promotion) was significantly sharpened through the discontinuation of the System of Consultations activities, with the exception of the important function of coordination of ECDC/TCDC. The latter will be ensured by a separate subprogramme in the Office of the Managing Director of the Division, whose direct involvement is expected to considerably increase impetus and coverage of UNIDO ECDC/TCDC activities. A second subprogramme within the Office of the Managing Director will be in charge of coordinating the management and administration of the Investment Promotion Service network. Both Investment Services and Technology Services have been extensively streamlined. Previously existing smaller units within the two Services have been abolished, with supervisory and guidance functions assigned only to the Directors of the Services. The new structure will ensure that resources

will be utilized in a flexible and dynamic manner through the forming of small, dynamic and highly specialized teams of staff for individual programmes and projects. Through the redeployment of the Industrial Information Programme from Major Programme 500, its direct support to the investment promotion and technology transfer activities of UNIDO will be maximized, in accordance with the objectives of thematic priority 5 (industrial information, investment and technology promotion).

11. With the merger of Operational Support Services and Administration (Major Programme 1200), the previous Operational Support Division was abolished. Its core programme activities will be carried out under the Operational Support Services Programme. The Programme, although extensively reduced in terms of resources, has otherwise maintained all elements of its previous structure. The Management Information Service Programme has been merged with General Services to reduce the number of component Programmes under Major Programme 1200 (Administration).

II. BUDGET ADJUSTMENTS

12. Member States are reminded of the extraordinary budgetary situation facing the Organization in the 1996-1997 biennium. Whereas the General Conference approved the programme and budgets as described in document IDB/S.6/2-PBC/AS.2/2, the Director-General was requested by the General Conference, in the light of expected assessed contribution income shortfalls in 1996, to implement the programme and budgets in line with the contingency plans. Therefore, consideration of budgetary matters during the current biennium will address both the approved programme and budgets and the contingency plans.

13. The respective budget levels under the approved programme and budgets and contingency plans for the 1996-1997 biennium are shown in table 1 below.

14. The programme restructuring described in the previous chapter requires a re-allocation of budgetary resources of the programmes and subprogrammes affected. This realignment of resources between Major Programmes does not change the total amount of the regular budget for the 1996-1997 biennium, as approved by the General Conference, but changes the allocations to individual Major Programmes in line with the adjusted programme structure. No changes have been made in the budgetary allocations by major objects of expenditure. The financial adjustments to the regular and operational budgets and contingency plans are presented in annex III to the present document.

III. FINANCIAL IMPLEMENTATION

A. Regular and operational budget implementation

15. The implementation of the programme and budgets during the first quarter of 1996 was influenced by the staff reduction exercise and organizational restructuring. Notwithstanding the negative impact on programme delivery which is unavoidable during a period of restructuring and downsizing, implementation of programmes progressed satisfactorily during the first three months of the biennium.

16. The financial indicators showing the implementation of the regular and operational budgets and contingency plans for the period 1 January to 31 March 1996 are shown in figures 1 and 2 and tables 2 and 3 below. Given that only three months of the biennium have passed, the financial results do not indicate any particular trends. However, the financial implementation of the budgets during the period was influenced by the following factors:

(a) As requested by the General Conference (GC.6/Dec.11, para. (e)), the programme and budgets for the 1996-1997 biennium are being implemented within the cash resource availability and in accordance with the contingency plans;

Table 1

Budget levels, 1996-1997
(In thousands of US dollars at US$1 = AS 12.90)

	RB			OB
	Expenditure	**Income**	**Net**	**Expenditure**
Programme and budgets, 1996-1997	210,246.6	29,347.1	180,899.5	28,810.0
Contingency plans, 1996-1997	187,116.2	28,923.9	158,192.3	28,434.7

(b) The actual level of staff on board during the period was higher than foreseen in the contingency plans owing to the planned phased implementation of the staff reduction exercise. As described below, staffing levels are falling and are expected to be below contingency plan levels, net of vacancy factor, by 30 June 1996;

(c) Notwithstanding the fact that budgetary implementation is being made on the basis of the contingency plans, additional holdbacks in financial allocations to UNIDO programmes have been prescribed for operating expenditures, travel, consultants and meeting funds. These holdbacks will be released when assessed contribution income estimates for 1996 are confirmed and the financial situation improves;

(d) To facilitate the early planning and timely delivery of regular budget- funded technical cooperation, including Industrial Development Decade for Africa (IDDA) supplementary activities, full funding was authorized for the Regular Programme of Technical Cooperation and IDDA supplementary activities in January 1996;

(e) The three signatory organizations to the tripartite agreement contained in the Memorandum of Understanding on Common Services at Donaupark (United Nations, International Atomic Energy Agency and UNIDO) are undertaking a review of the cost-sharing formula in respect of common services and, in particular the sharing of the costs of Buildings Management of the Vienna International Centre (VIC) complex and the Security and Safety Service to bring these in line with budgetary allocations.

Figure 1

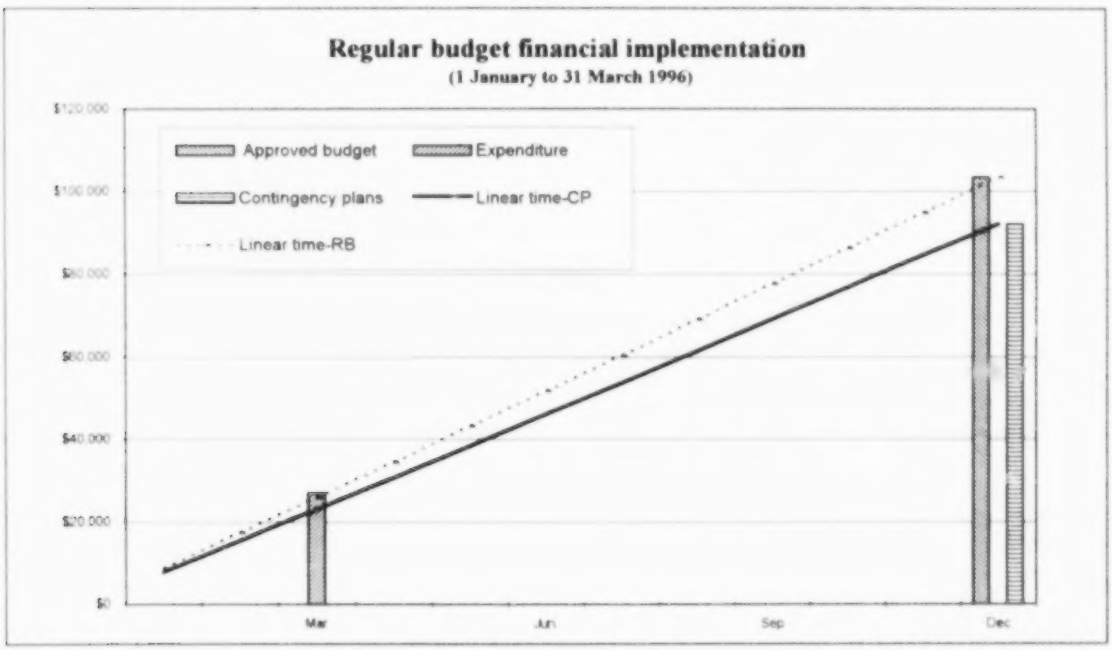


Table 2

Regular budget financial implementation,
1 January to 31 March 1996
(In thousands of US$ at US$1 = AS 12.90)

	Approved budget	Contingency plans
1996-1997	210,246.6	187,116.2
1996	103,397.7	92,106.5
Expenditure to date	26,922.6	26,922.6

Figure 2

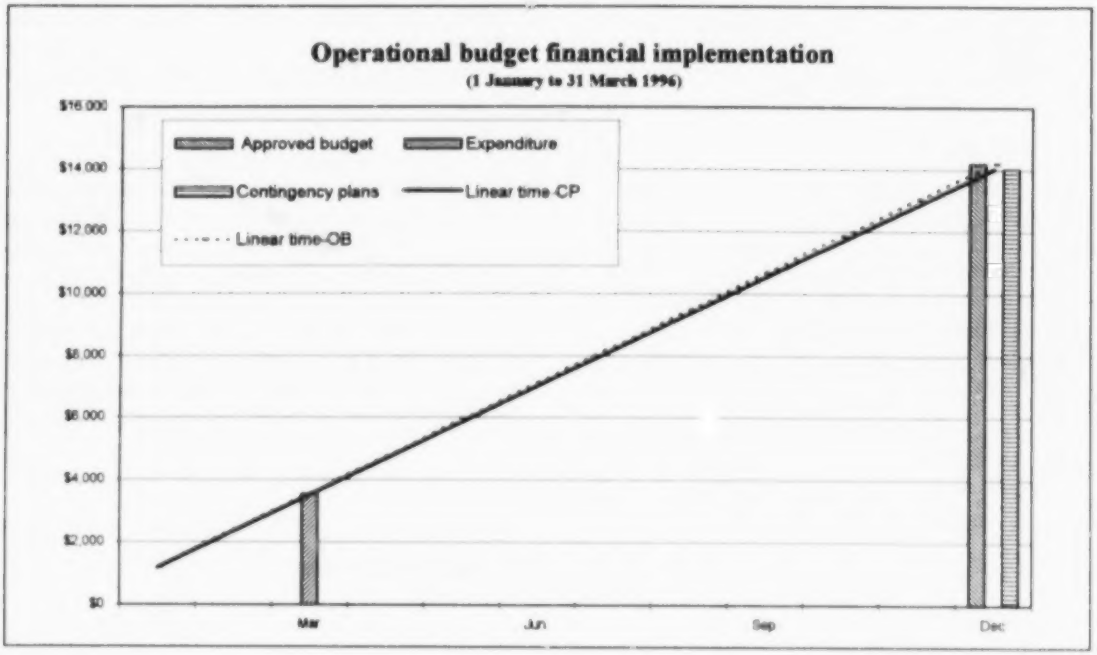


Table 3

Operational budget financial implementation,
1 January to 31 March 1996
(In thousands of US$ at US$1 = AS 12.90)

	Approved budget	Contingency plans
1996-1997	28,810.0	28,434.7
1996	14,190.5	14,010.7
Expenditure to date	3,541.7	3,541.7

B. Established posts (RB/OB)

17. The authorized number of posts for the 1996-1997 biennium (961) is shown in table 5 of the programme and budget document (IDB/S.6/2-PBC/AS.2/2). However, the Organization is implementing the programme for the biennium on the basis of the contingency plans, which indicates a lower level of posts (850 for 1996).

18. The development of the present level of established posts is shown in table 4 below.

Table 4

Established posts

	Professional	General Service/ Language Teachers	Total
Posts at 31 December 1995	399	683	1,082
Reduction in posts (1996-1997 budget)	(33)	(88)	(121)
Posts approved (1996-1997 budget)	366	595	961
Reduction in posts (1996 contingency plans)	(27)	(84)	(111)
Indicative posts (1996 contingency plans) a/	339	511	850
Staff on board, 1 April 1996 b/	319	523	842
Vacancy rate	5.9%	(2.4%)	-
Budget vacancy rate	7%	5%	-

a/ The number of posts in the contingency plans will decrease by an additional 8 as of 1 January 1997 with the abolition of the language training posts.

b/ Staff on board (including field staff) charged against the UNIDO regular or operational budgets, including staff taking agreed termination, who have not vacated posts by 1 April 1996.

19. At the completion of the staff reduction exercise, the vacancy factor is expected to be in excess of 7 per cent in the case of Professional and approximately 5 per cent for General Service staff. Staffing levels and vacancy factors will be adjusted to ensure that the average budgetary levels of vacancies are not exceeded and that staff costs are kept within available regular and operational budget resources.

20. Information on the staff reduction exercise is presented in document IDB.15/4 - PBC/AS.3/4. The financial status of the separation indemnity reserve is described in the report on the financial situation (IDB.15/3 - PBC/AS.3/3).

IV. ACTION REQUIRED OF THE COMMITTEE

21. The Committee may wish to recommend to the Industrial Development Board that it take note of the information contained in the present document.

Annex I

PROGRAMME AND BUDGET STRUCTURE, 1996-1997

1996-1997 programme and budgets (as reflected in IDB/S.6/2-PBC/AS.2/2)

MAJOR PROGRAMME 100: POLICY-MAKING ORGANS

Programme 110: General Conference
Programme 120: Industrial Development Board
Programme 130: Programme and Budget Committee

MAJOR PROGRAMME 200: GENERAL MANAGEMENT

Programme 210: Office of the Director-General

Subprogrammes:

Subprogramme 211: Executive Direction and Management
Subprogramme 212: Management Coordination and Monitoring
Subprogramme 213: Internal Audit
Subprogramme 214: Legal Service

Programme 220: Strategic Planning Office

Programme 230: External Relations Service

Subprogrammes:

Subprogramme 231: External Liaison and Protocol
Subprogramme 232: UNIDO Office at New York
Subprogramme 233: UNIDO Office at Geneva
Subprogramme 234: Secretariat of Policy-making Organs
Subprogramme 235: Office of the Director

Restructured 1996-1997 programme and budgets

MAJOR PROGRAMME 100: POLICY-MAKING ORGANS

Programme 110: General Conference
Programme 120: Industrial Development Board
Programme 130: Programme and Budget Committee

MAJOR PROGRAMME 200: GENERAL MANAGEMENT

Programme 210: Office of the Director-General

Subprogrammes:

Subprogramme 211: Executive Direction and Management
Subprogramme 212: *Merged with Subprogramme 241*
Subprogramme 213: Internal Audit
Subprogramme 214: Legal Service

Programme 220: *See Subprogramme 241*

Programme 230: *See Programme 250*

1996-1997 programme and budgets (as reflected in IDB/S.6/2-PBC/AS.2/2)

Restructured 1996-1997 programme and budgets

Programme 240: Policy Coordination

Subprogrammes:

Subprogramme 241: Strategic Planning Office
Subprogramme 242: Quality Assurance and Evaluation

Programme elements:

Programme element 2421: Evaluation
Programme element 2422: Quality Assurance

Subprogramme 243: Programme and Project Review Committee Secretariat
Subprogramme 244: Programme Monitoring
Subprogramme 245: Office of the Director

Programme 250: External Relations Services

Subprogrammes:

Subprogramme 251: External Liaison and Policy-making Organs
Subprogramme 252: UNIDO Office at New York
Subprogramme 253: UNIDO Office at Geneva
Subprogramme 254: Office of the Director

1996-1997 programme and budgets
(as reflected in IDB/S.6/2-PBC/AS.2/2)

MAJOR PROGRAMME 300: COUNTRY PROGRAMMES AND FUNDS MOBILIZATION

Programme 310: Office of the Managing Director

Subprogrammes:

Subprogramme 311: Direction and Management
Subprogramme 312: Integration of Women in Industrial Development
Subprogramme 313: Least Developed Countries

Programme 320: Programme Support and Monitoring

Subprogrammes:

Subprogramme 321: Programme Monitoring
Subprogramme 322: Coordination of Funds Mobilization
Subprogramme 323: Programme and Project Review Committee Secretariat

Programme 330: Africa Programme, including the Industrial Development Decade for Africa

Restructured 1996-1997 programme and budgets

MAJOR PROGRAMME 300: COUNTRY PROGRAMMES AND FUNDS MOBILIZATION

Programme 310: Office of the Managing Director

Subprogrammes:

Subprogramme 311: Direction and Management
Subprogramme 312: *See Subprogramme 622*
Subprogramme 313: Least Developed Countries
Subprogramme 314: Field Representation Support

Programme 320: Coordination of Funds Mobilization

Subprogrammes:

Subprogramme 321: *See Subprogramme 244*
Subprogramme 322: *See Programme 320*
Subprogramme 323: *See Subprogramme 243*

Programme 330: Africa Bureau, including the Industrial Development Decade for Africa

Subprogrammes:

Subprogramme 331: Africa Bureau
Subprogramme 332: IDDA Coordination

1996-1997 programme and budgets (as reflected in IDB/S.6/2-PBC/AS.2/2)		Restructured 1996-1997 programme and budgets	
Programme 340:	Arab Countries Programme	Programme 340:	Arab Countries Bureau
Programme 350:	Asia and the Pacific Programme	Programme 350:	Asia and the Pacific Bureau
Programme 360:	Europe and NIS Programme	Programme 360:	Europe and NIS Bureau
Programme 370:	Latin America and the Caribbean Programme	Programme 370:	Latin America and the Caribbean Bureau
Programme 380:	Field Representation	Programme 380:	Field Representation
Programme 390:	Quality Assurance and Evaluation	Programme 390:	*See Subprogramme 242*
Subprogrammes:			
Subprogramme 391:	Quality Assurance	Subprogramme 391:	*See Programme element 2422*
Subprogramme 392:	Evaluation	Subprogramme 392:	*See Programme element 2421*
MAJOR PROGRAMME 500:	**INFORMATION AND RESEARCH**	**MAJOR PROGRAMME 500:**	**RESEARCH AND PUBLICATIONS**
Programme 510:	Office of the Managing Director	Programme 510:	Office of the Managing Director
Programme 520:	Industrial Information	Programme 520:	*See Programme 840*
Programme 530:	Industrial Statistics	Programme 530:	Industrial Statistics
Programme 540:	Studies and Research	Programme 540:	Studies and Research
Programme 550:	Public Information and Information Products	Programme 550:	Public Information

1996-1997 programme and budgets (as reflected in IDB/S.6/2-PBC/AS.2/2)

MAJOR PROGRAMME 600: HUMAN RESOURCE, ENTERPRISE AND PRIVATE SECTOR DEVELOPMENT

Programme 610: Office of the Managing Director
Programme 620: Human Resource Development

Programme 630: Enterprise Development and Restructuring
Programme 640: Small and Medium Industries
Programme 650: Industrial Policies and Private Sector Development

MAJOR PROGRAMME 700: INDUSTRIAL SECTORS AND ENVIRONMENT

Programme 710: Office of the Managing Director
Programme 720: Agro-based Industries
Programme 730: Chemical Industries
Programme 740: Engineering and Metallurgical Industries
Programme 750: Environment and Energy

Restructured 1996-1997 programme and budgets

MAJOR PROGRAMME 600: HUMAN RESOURCE, ENTERPRISE AND PRIVATE SECTOR DEVELOPMENT

Programme 610: Office of the Managing Director
Programme 620: Human Resource Development

Subprogrammes:

Subprogramme 621: Human Resource Development
Subprogramme 622: Integration of Women in Industrial Development

Programme 630: Enterprise Development and Restructuring
Programme 640: Small and Medium Industries
Programme 650: Industrial Policies and Private Sector Development

MAJOR PROGRAMME 700: INDUSTRIAL SECTORS AND ENVIRONMENT

Programme 710: Office of the Managing Director
Programme 720: Agro-based Industries
Programme 730: Chemical Industries
Programme 740: Engineering and Metallurgical Industries
Programme 750: Environment and Energy

1996-1997 programme and budgets
(as reflected in IDB/S.6/2-PBC/AS.2/2)

MAJOR PROGRAMME 800: INVESTMENT AND TECHNOLOGY PROMOTION

Programme 810: Office of the Managing Director

Subprogrammes:

Subprogramme 811: Direction and Management
Subprogramme 812: ECDC/TCDC Coordination

Programme 820: Investment Services
Programme 830: Technology Services

MAJOR PROGRAMME 900: COMMON PROGRAMMES

Programme 910: Regular Programme of Technical Cooperation
Programme 920: Industrial Development Decade for Africa
Programme 930: Interregional Advisers

MAJOR PROGRAMME 1100: JOINT AND COMMON SERVICES

Programme 1110: Buildings Management
Programme 1120: Languages and Documentation
Programme 1130: Other Services Provided to UNIDO

Restructured 1996-1997 programme and budgets

MAJOR PROGRAMME 800: INVESTMENT AND TECHNOLOGY PROMOTION

Programme 810: Office of the Managing Director

Subprogrammes:

Subprogramme 811: Direction and Management
Subprogramme 812: ECDC/TCDC Coordination
Subprogramme 813: IPSO Coordination

Programme 820: Investment Services
Programme 830: Technology Services
Programme 840: Industrial Information

MAJOR PROGRAMME 900: COMMON PROGRAMMES

Programme 910: Regular Programme of Technical Cooperation
Programme 920: Industrial Development Decade for Africa
Programme 930: Interregional Advisers

MAJOR PROGRAMME 1100: JOINT AND COMMON SERVICES

Programme 1110: Buildings Management
Programme 1120: Languages and Documentation
Programme 1130: Other Services Provided to UNIDO

1996-1997 programme and budgets
(as reflected in IDB/S.6/2-PBC/AS.2/2)

MAJOR PROGRAMME 1200: ADMINISTRATION

Programme 1210: Office of the Managing Director
Programme 1220: Financial Services
Programme 1230: Personnel Services
Programme 1240: Management Information Services
Programme 1250: General Services

Programme 1260: Operational Support Services

Subprogrammes:

Subprogramme 1261: Project Personnel Services
Subprogramme 1262: Purchase and Contracts
Subprogramme 1263: Office of the Director

Restructured 1996-1997 programme and budgets

MAJOR PROGRAMME 1200: ADMINISTRATION

Programme 1210: Office of the Managing Director
Programme 1220: Financial Services
Programme 1230: Personnel Services
Programme 1240: *See Subprogramme 1254*
Programme 1250: General Services

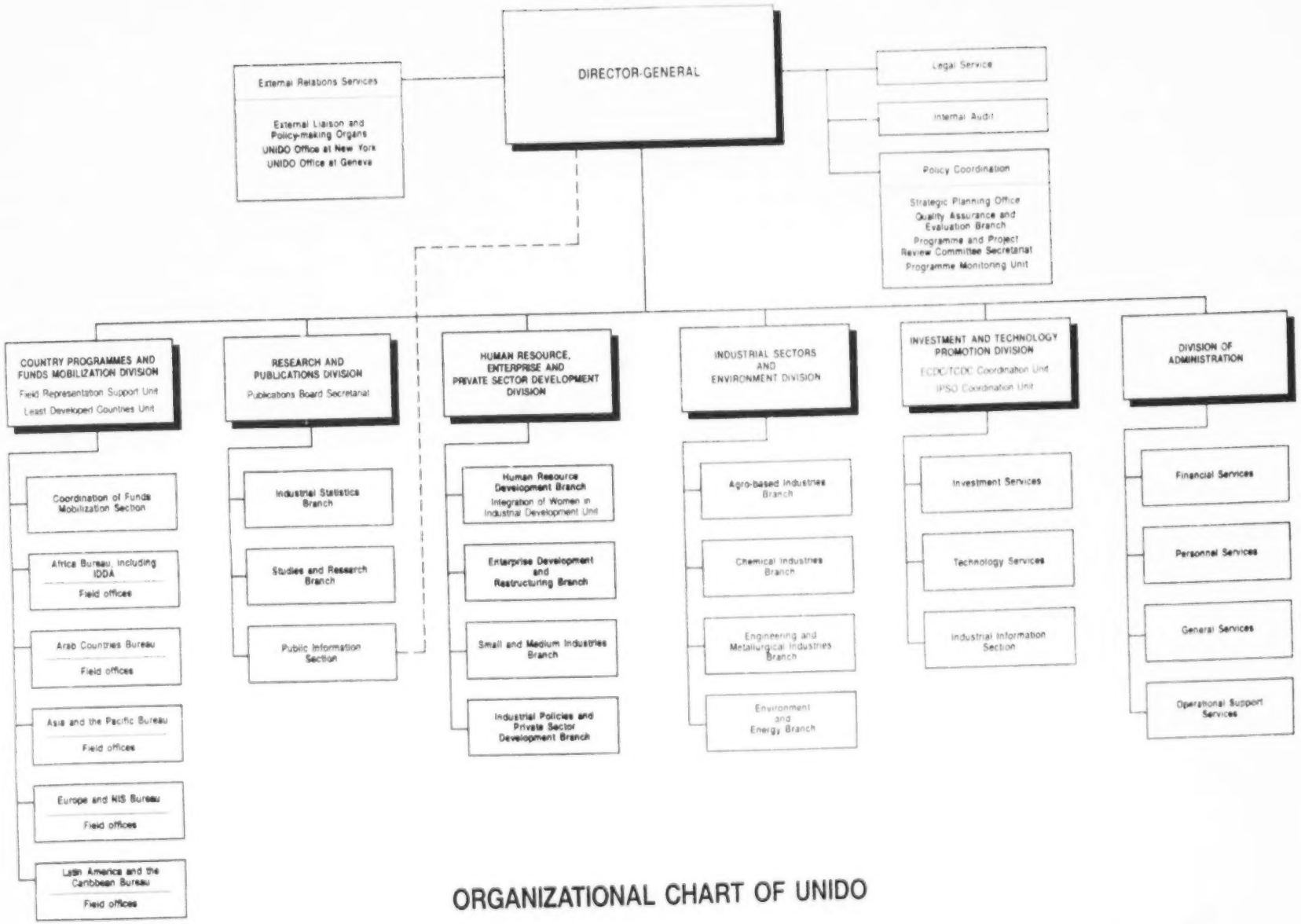
Subprogrammes:

Subprogramme 1253: General Services
Subprogramme 1254: Management Information Service

Programme 1260: Operational Support Services

Subprogrammes:

Subprogramme 1261: Project Personnel Service
Subprogramme 1262: Purchase and Contracts
Subprogramme 1263: Office of the Director



ORGANIZATIONAL CHART OF UNIDO

Annex III

ADJUSTMENTS FOR 1996-1997 BY MAJOR PROGRAMME

Table 1

Regular budget
(In thousands of US dollars at US$1 = AS12.90)

Major Programme	Approved budget										Contingency plans			
	Budget 1996-1997				***Budget adjustments 1_/***			***Adjusted budget 1996-1997***			***Adjusted contingency plans 1996-1997***			
	Expenditure	Income	Net	Percentage of net total budget	Expenditure	Income	Net	Expenditure	Income	Net	Percentage of net total budget	Expenditure	Income	Net	Percentage of net total budget
100 - Policy-making Organs	7,347.8		7,347.8	4.1				7,347.8		7,347.8	4.1	7,347.8		7,347.8	4.6
200 - General Management	11,873.9		11,873.9	6.6	3,228.8		3,228.8	15,102.7		15,102.7	8.3	13,149.4		13,149.4	8.3
300 - Country Programmes and Funds Mobilization	25,677.6		25,677.6	14.2	(3,992.0)		(3,992.0)	21,685.6		21,685.6	12.0	18,759.7		18,759.7	11.9
500 - Research and Publications	15,796.4		15,796.4	8.7	(3,244.7)		(3,244.7)	12,551.7		12,551.7	6.9	11,038.8		11,038.8	7.0
600 - Human Resource, Enterprise and Private Sector Development	12,052.6		12,052.6	6.7	763.2		763.2	12,815.8		12,815.8	7.1	11,839.7		11,839.7	7.5
700 - Industrial Sectors and Environment	19,368.7		19,368.7	10.7				19,368.7		19,368.7	10.7	17,555.4		17,555.4	11.1
800 - Investment and Technology Promotion	13,265.8		13,265.8	7.3	3,244.7		3,244.7	16,510.5		16,510.5	9.1	14,373.5		14,373.5	9.1
900 - Common Programmes	18,069.7		18,069.7	10.0				18,069.7		18,069.7	10.0	16,117.9		16,117.9	10.2
1100 - Joint and Common Services	49,983.9	26,986.5	22,997.4	12.7				49,983.9	26,986.5	22,997.4	12.7	46,799.6	26,871.6	19,928.0	12.6
1200 - Administration	36,810.2	755.2	36,055.0	19.9				36,810.2	755.2	36,055.0	19.9	30,134.4	446.9	29,687.5	18.8
Miscellaneous Income		1,605.4	(1,605.4)	(0.9)					1,605.4	(1,605.4)	(0.9)		1,605.4	(1,605.4)	(1.0)
	210,246.6	29,347.1	180,899.5					210,246.6	29,347.1	180,899.5		187,116.2	28,923.9	158,192.3	

1_/ Reflecting organizational and programme structure adjustments

Table 2

Operational budget
(In thousands of US dollars at US$1 = AS12.90)

	Major Programme	Approved budget: Budget 1996-1997	Approved budget: Percentage of total budget	Approved budget: Budget adjustments 1_/	Approved budget: Adjusted budget 1996-1997	Approved budget: Percentage of total budget	Contingency plans: Adjusted contingency plan 1996-1997	Contingency plans: Percentage of total budget
100 -	Policy-making Organs	-			-		-	
200 -	General Management	395.1	1.4	1,066.3	1,461.4	5.1	1,433.4	5.0
300 -	Country Programmes and Funds Mobilization	7,949.3	27.6	(1,132.6)	6,816.7	23.6	6,799.9	23.9
500 -	Research and Publications	632.8	2.2	(205.4)	427.4	1.5	427.4	1.5
600 -	Human Resource, Enterprise and Private Sector Development	2,635.4	9.1	113.4	2,748.8	9.5	2,709.6	9.5
700 -	Industrial Sectors and Environment	5,735.5	19.9		5,735.5	19.9	6,285.1	22.1
800 -	Investment and Technology Promotion	2,446.2	8.5	205.4	2,651.6	9.2	2,606.8	9.2
900 -	Common Programmes	285.2	1.0		285.2	1.0	285.2	1.0
1100 -	Joint and Common Services	-			-		-	
1200 -	Administration	8,730.5	30.3		8,730.5	30.3	7,887.3	27.7
		28,810.0		47.1	28,857.1		28,434.7	

1_/ Reflecting organizational and programme structure adjustments.